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**REQUEST FOR PROPOSALS  
THIRD-PARTY INVESTMENT MANAGEMENT AND RECORDKEEPING  
SERVICES FOR DEFINED CONTRIBUTION PLANS  
RFP NUMBER 08-03**

**RELEASE DATE: MARCH 31, 2008**

**BIDDERS CONFERENCE: APRIL 11, 2008 FROM 9:00 AM TO 12:00 PM ET  
DEADLINE FOR INQUIRIES: APRIL 18, 2008 BY 3:00 PM ET  
DEADLINE FOR SUBMISSION: MAY 9, 2008 BY 3:00 PM ET**

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**INDIANA PUBLIC EMPLOYEES' RETIREMENT FUND &  
INDIANA TEACHERS' RETIREMENT FUND  
THIRD-PARTY INVESTMENT MANAGEMENT AND RECORDKEEPING SERVICES  
FOR DEFINED CONTRIBUTION PLANS  
RFP NUMBER: 08-03**

**Executive Summary**

The Indiana Public Employees' Retirement Fund ("PERF") and the Indiana Teachers' Retirement Fund ("TRF") are non-profit, quasi-state organizations that were established by legislation to manage the retirement funds of certain public employees throughout the state of Indiana. The purpose of PERF is to administer pensions for all State of Indiana employees and the employees of participating political subdivisions, except those covered employees managed by TRF.

The PERF organization is currently comprised of six funds. Those funds are:

- *Indiana Public Employees' Retirement Fund (PERF)*
- *1977 Police Officers' And Firefighters' Pension And Disability Fund (77 Fund)*
- *Legislators' Retirement System (LE Fund)*
- *1977 And 1985 Judges' Retirement System (JU Fund)*
- *Prosecuting Attorneys' Retirement Fund (PA Fund)*
- *State Excise Police, Gaming Agent, Gaming Control Officer & Conservation Enforcement Officers' Retirement Plan (C&E Fund)*

The TRF organization is currently comprised of one fund. That fund is:

- *Indiana State Teachers' Retirement Fund (TRF).*

As of June 30, 2007, the following are the fund net assets for the various PERF and TRF funds:

<u>Fund</u>	<u>Net Assets</u>
PERF	\$13,262,414,000
77 Fund	\$3,310,171,000
LE Fund (DB)	\$5,498,000
LE Fund (DC)	\$25,729,000
C&E Fund	\$63,172,000
PA Fund	\$26,189,000
JU Fund	\$233,386,000
TRF Fund	\$8,981,000,000

PERF and TRF are seeking competitive sealed proposals for records management services for their Annuity Savings Accounts (ASA). In addition, PERF is seeking competitive bids for management services for PERF's Legislators' Defined Contribution (DC) Fund. This is currently managed by another third-party recordkeeper, with the contract expiring as of December 31, 2008. It is the expectation of PERF and TRF that all recordkeeper activities will be maintained by one unified vendor.

If a Respondent has capabilities of investment management of the funds in addition to records management, PERF & TRF would be interested in receiving such proposals.

Each Respondent to this request for proposal must meet the following minimum qualifications to be considered a candidate for the records management services.

1. As of December 31, 2007, the Respondent must be providing recordkeeping services for at least one defined contribution plan having at least 25,000 active participants.
2. As of December 31, 2007, the Respondent must have provided recordkeeping and administrative services for defined contribution plans for a minimum of five years.
3. The Respondent must be a direct provider of services (not a third-party broker).
4. The key professionals and/or the organization (or affiliate) must not have, nor could he or she potentially have, a material conflict with PERF or TRF.
5. The Respondent must agree to provide the minimum required administrative and recordkeeping services as detailed in this RFP.
6. Errors and omissions insurance must protect the Respondent.
7. The Respondent must have security, back-up, and recovery capabilities for its recordkeeping system.
8. The Respondent must have service-center support to meet the communication needs of the PERF and TRF fund members.
9. **Restrictions:** Any company which, either as a parent company, subsidiary, or affiliate, is currently performing consulting services for PERF or TRF, in preparation of this RFP, may not compete in this procurement. The firm(s), or any subsidiary, affiliate or parent company thereof, selected as a result of this procurement may not compete during the term of the resulting contract, any extensions thereto, in any subsequent PERF or TRF procurement, the main purpose of which is to hire a firm or firms for consulting purposes. Companies holding alliance, partnership, or other business affiliations with the consultant assisting PERF or TRF in the third-party recordkeeping selection process will be excluded from eligibility to respond to the recordkeeping or member transfer education services RFPs.
10. The Respondent must submit a detailed fee proposal. If any vendor fails to submit a detailed fee proposal, PERF and TRF reserve the right to eliminate said vendor from further consideration.
11. Ensure compliance with all state statutes and administrative code provisions (see Attachment D).

It is important that each Respondent provide accurate and detailed resolutions for all questions in the RFP; however, there are several key requirements upon which PERF and TRF will focus when evaluating the RFP responses. The list of key requirements can be found starting in Attachment A – Scope of Services starting on page 20.

Respondents to this request for proposals for records management services must submit proposals to PERF by May 9, 2008, before 3:00 PM. ET.

## **SECTION ONE GENERAL INFORMATION**

### **1.1 INTRODUCTION**

As previously stated, the Indiana Public Employees' Retirement Fund (PERF) and the Indiana Teachers' Retirement Fund (TRF) are seeking competitive sealed proposals for records management services for their Annuity Savings Accounts (ASA). In addition, PERF is seeking competitive bids for management services for PERF's Legislators' Defined Contribution (DC) Fund. This is currently managed by another third-party recordkeeper, with the contract expiring as of December 31, 2008. It is the expectation of PERF and TRF that all recordkeeping activities will be performed by one unified vendor.

### **1.2 DEFINITIONS AND ABBREVIATIONS**

Following are explanations of terms and abbreviations appearing throughout this RFP. Other special terms may be used in the RFP, but he or she are defined where he or she appear, rather than in the following list.

<b><u>Term</u></b>	<b><u>Definition</u></b>
Board	Board of Trustees of PERF or TRF
IAC	The Indiana Administrative Code
IC	The Indiana Code
PERF	Indiana Public Employees' Retirement Fund
Proposal	An offer
Respondent	An offeror who submits a proposal
Services	Work to be performed as specified in this RFP
TRF	Indiana Teachers' Retirement Fund
Vendor	Any successful respondent selected as a result of the procurement process to deliver services requested by this RFP
Active Members	Members who currently have wage & contribution data reported
Inactive Members	Members who have not had wage & contribution data reported in the last quarter

### **1.3 ISSUER**

In accordance with Indiana statutes governing the administration of PERF and TRF, PERF and TRF are jointly issuing this RFP. The staffs of PERF and TRF have prepared the content of the RFP. One (1) copy of this RFP may be provided free of charge from PERF and TRF or a copy may be obtained from the following website: <http://www.in.gov/perf/2342.htm>. A nominal fee will be charged for providing additional hard copies.

#### **1.4 DUE DATE AND FORMAT FOR PROPOSALS**

All proposals must be received at the address below no later than May 9, 2008, at 3:00 PM. ET. Each respondent must submit one original (marked "Original"), one copy of the proposal in CD ROM format, and four copies of their proposal, including the transmittal letter and other related documentation as required in Sections 4.2 and 4.3 of this RFP. The proposal must be clearly marked "Response to RFP 08-03 Third-party Investment Management And Recordkeeping Services For Defined Contribution Plans" and addressed/delivered to:

Stanton Lanman  
Procurement Officer  
Indiana Public Employees' Retirement Fund  
143 W. Market Street  
Indianapolis, IN 46204

Any proposal received after the due date will not be considered. Any late proposals will be returned, unopened, to the respondent, upon request, within thirty (30) days of filing.

#### **1.5 MODIFICATION OR WITHDRAWAL OF OFFERS**

Responses to this RFP may be modified or withdrawn in writing or by fax notice received prior to the date specified for receipt of proposals. The respondent's authorized representative may also withdraw the proposal in person, providing his or her identity is made known and he or she signs a receipt for the proposal. Proposals may not be withdrawn after the proposal due date has passed.

Modification to or withdrawal of a proposal received after the date specified for receipt of proposals will not be considered. If it becomes necessary to revise any part of this RFP or if additional data is necessary for an exact interpretation of provisions of this RFP prior to the due date for proposals, a supplement will be posted by PERF and TRF on the following website <http://www.in.gov/perf/2342.htm>. If such addenda issuance is necessary, PERF and TRF reserve the right to extend the due date of proposals to accommodate such interpretations or additional data requirements.

#### **1.6 JOINT BIDS / SUBCONTRACTING**

PERF and TRF will not entertain joint bids.

Although it is anticipated that any respondent submitting a proposal will provide the major portion of the services as requested, subcontracting by the respondent is acceptable in performing the requirements of this RFP. However, the respondent must obtain the approval of PERF and TRF before subcontracting any portion of the project's requirements. The respondent is responsible for



the performance of any obligations that may result from this RFP and shall not be relieved by the non-performance of any subcontractor. Any respondent's proposal must identify all subcontractors and outline the contractual relationship between the respondent and each subcontractor. Either a copy of the executed subcontract or a letter of agreement over the official signature of the firms involved must accompany each proposal.

Any subcontracts entered into by the respondent must be in compliance with all State of Indiana statutes and be subject to the provisions thereof. For each portion of the proposed services to be provided by a subcontractor, the technical proposal must include the identification of the functions to be provided by the subcontractor and the subcontractor's related qualifications and experience.

The combined qualifications and experience of the respondent and any or all subcontractors will be considered during evaluation. The respondent must furnish information to PERF and TRF as to the amount of the subcontract, the qualifications of the subcontractor for guaranteeing performance, and any other data that may be required by PERF and/or TRF. All subcontracts held by the respondent must be made available upon request for inspection and examination by appropriate PERF and TRF officials and such relationships must meet with the approval of the PERF and TRF.

## **1.7 CONFIDENTIAL INFORMATION**

Respondents are advised that materials contained in proposals are subject to the Indiana Public Records Act, IC 5-14-3 et seq., and, after the contract award, may be viewed and copied by any member of the public, including news agencies and competitors. Respondents claiming a statutory exception to the Indiana Public Records Act must place all confidential documents (including the requisite number of copies) in a sealed envelope clearly marked "Confidential" and must indicate in the transmittal letter and on the outside of that envelope that confidential materials are included. The respondent must also specify which statutory exception provision applies.

PERF and TRF reserve the right to make determinations of confidentiality. If PERF or TRF does not agree that the information designated is confidential under one of the disclosure exceptions to the Indiana Public Records Act, it may either reject the proposal or discuss its interpretation of the allowable exceptions with the respondent. If agreement can be reached, the proposal will be considered. If agreement cannot be reached, PERF and TRF will remove the proposal from consideration for award and return the proposal to the respondent. PERF and TRF will not determine prices to be confidential information.

## **1.8 RFP RESPONSE COSTS**

PERF or TRF accept no obligations for costs incurred by respondents in anticipation of being awarded a contract.

## **1.9 PROPOSAL LIFE**

All proposals made in response to this RFP must remain open and in effect for a period of not less than 180 days after the due date for proposals. Any proposal accepted by PERF and TRF for the purpose of contract negotiations shall remain valid until superseded by a contract or until rejected by PERF and TRF.

## **1.10 TAXES**

PERF and TRF are exempt from federal, state, and local taxes. PERF or TRF will not be responsible for any taxes levied on the respondent as a result of any contract resulting from this RFP.

## **1.11 SECRETARY OF STATE REGISTRATION**

Before an out-of-state corporate respondent can do business with PERF and/or TRF, the corporate respondent must be registered with the Indiana Secretary of State. If an out-of-state corporate respondent does not have such registration at present, the respondent should contact:

Secretary of State of Indiana  
Corporation Division  
402 West Washington Street, E018  
Indianapolis, IN 46204  
(317) 232-6576

for the necessary registration application form, or it can be accessed via the internet at <http://www.in.gov/icpr/webfile/formsdiv/38784.pdf>. It is each corporate respondent's responsibility to register prior to the initiation of any contract discussions, but registration is not a requirement to submit a response.

## **1.12 DISCUSSION FORMAT**

PERF and TRF reserve the right to conduct discussions, either oral or written, with those respondents determined by PERF or TRF to be reasonably viable to being selected for award. PERF and TRF also reserve the right to conduct clarifications to resolve minor issues.

## **1.13 SUMMARY OF MILESTONES**

The following is the expected timeline for the RFP.

<u>ACTIVITY</u>	<u>EXPECTED DATE</u>
RFP published/released	March 31, 2008
Bidders Conference	April 11, 2008 from 9:00 AM to 12:00 PM ET
Respondent's inquiry period ends	April 18, 2008 by 3:00 PM ET
Responses to inquiries made	April 25, 2008
RFP Responses Due	May 9, 2008 by 3:00 PM ET
Review Responses & Select Initial Vendors	May 14, 2008
Initial Proposals	May 27, 2008 through May 30, 2008
Finalists Announced	June 2, 2008
Site Visits	June 16, 2008 through June 18, 2008
Finalists Proposals	June 23, 2008 through June 26, 2008
Selection & notification of selected vendor	June 27, 2008
Contract Negotiations	June 30, 2008 through July 11, 2008
Sign Contract	July 14, 2008

## **SECTION TWO PROPOSAL PROCEDURES**

### **2.1 CONTACTS**

Inquiries are not to be directed to any staff, Board member of PERF or Board member of TRF, except as outlined in Section 2.3. Such unauthorized communication(s) may disqualify respondent from further consideration. The Funds reserve the right to discuss any part of any response for the purpose of clarification. Respondents will be given equal access to any communications about the request for proposal between the Funds and other respondents.

### **2.2 BIDDERS CONFERENCE**

The Bidders Conference will be held on Friday, April 11, 2008, from 9:00 AM to 12:00 PM. The location of the conference will be:

ISTA Center  
150 West Market Street  
2<sup>nd</sup> Floor Conference Room  
Indianapolis, IN 46204

### **2.3 INQUIRIES ABOUT THE RFP**

All inquiries and requests for information affecting this RFP must be submitted in writing by e-mail to:

Stanton Lanman  
Procurement Officer  
slanman@perf.in.gov

no later than May 9, 2008, 3:00 p.m. ET. PERF and TRF reserve the right to judge whether any questions should be answered in writing and copies will be distributed by email to all prospective respondents who are known to have received a copy of the original RFP.

If it becomes necessary to revise any part of this RFP, or if additional information is necessary for a clearer interpretation of provisions of this RFP prior to the due date for proposals, an addendum will be posted to the PERF website. If such addenda issuance is necessary, the Procurement Officer may extend the due date and time of the proposals to accommodate such additional information requirements, if necessary.

## **2.4 RESPONDENT SITE VISITS**

PERF and TRF will require a site visit to a respondent's working support center to aid in the evaluation of the respondent's proposal.

## **2.5 CONTRACT AWARD**

Based on the results of this process, the qualifying proposal determined to be the most advantageous to PERF and TRF, taking into account all of the evaluation factors, may be selected by PERF and TRF for further action, such as contract award. If, however, PERF and TRF decide that no proposal is sufficiently advantageous, PERF and TRF may take whatever further action is deemed best in its sole discretion, including making no contract award. If, for any reason, a proposal is selected and it is not possible to consummate a contract with the respondent, PERF and TRF may begin contract preparation with the next qualified respondent or determine that it does not wish to award a contract pursuant to this RFP.

PERF and TRF reserve the right to reject any or all proposals received or to award, without discussions or clarifications, a contract on the basis of proposals received. Therefore, each proposal should contain the respondent's best terms from a price and technical standpoint.

The Executive Directors or their designee(s) will, in the exercise of their discretion, determine which proposal(s) offer the best means of servicing the interests of the Funds. The exercise of this discretion will be final.

### **SECTION THREE LENGTH OF CONTRACT AND PRICING**

#### **3.1 LENGTH OF CONTRACT**

The term of the contract entered into under this RFP shall be for a period of one (1) year, beginning from date of final execution of contract, with the possibility of contract renewals thereafter.

#### **3.2 PRICING**

The compensation for the duration of any contract awarded under this RFP shall be fixed by negotiation from the pricing set forth in response to this Request for Proposals. Once the apparent successful Respondent is selected, the pricing may be negotiated further. PERF requests the pricing associated with this RFP be a firm proposal price that must remain open and in effect for a period of not less than 180 days from the proposal due date. Prices quoted shall include all costs for services provided under this contract. Any unspecified costs shall be borne by the Respondent.

## **SECTION FOUR PROPOSAL PREPARATION INSTRUCTIONS**

### **4.1 GENERAL**

To facilitate the timely evaluation of proposals, a standard format for proposal submission has been developed and is documented in this section. All respondents are required to format their proposals in a manner consistent with the guidelines described below:

1. Each item must be addressed in the respondent's proposal or the proposal may be rejected.
2. The transmittal letter should be in the form of a letter. The business proposal must be organized under the specific section titles as listed below.
3. PERF and TRF may, at their option, allow all respondents a five-calendar-day period to correct errors or omissions to their proposals. Should this necessity arise, PERF and TRF will contact each respondent affected. Each respondent must submit written corrections to the proposal within five calendar days of notification. The intent of this option is to allow proposals with only minor errors or omissions to be corrected. Major errors or omissions, such as the failure to include prices, will not be considered by PERF and TRF as a minor error or omission and may result in disqualification of the proposal from further evaluation.

#### **A complete proposal will include the following:**

1. Hard copy submission of a transmittal letter (with the information in Section 4.2)
2. Hard copy submission of a business proposal (with the information and attachments described in Section 4.3)
3. Original, four copies, and CD ROM of the entire proposal as outlined in Section 1.4

### **4.2 TRANSMITTAL LETTER**

The transmittal letter must address the following topics:

#### **4.2.1 Identification**

The transmittal letter must first identify the RFP.

#### **4.2.2 Summary of Ability and Desire to Supply the Required Services**

The transmittal letter must briefly summarize the respondent's ability to supply the requested services. The letter must also contain a statement indicating the respondent's willingness to provide the requested services subject to the terms and conditions set forth in the RFP including, but not limited to, PERF's and TRF's standard contract clauses.

#### 4.2.3 Signature of Authorized Representative

A person authorized to commit the respondent to its representations must sign the transmittal letter. Respondent personnel signing the transmittal letter of the proposal must be legally authorized by the organization to commit the organization contractually. This section must contain proof of such authority. A copy of corporate bylaws or a corporate resolution adopted by the board of directors indicating this authority will fulfill this requirement.

#### 4.2.4 Other Information

Any other information the respondent may wish to briefly summarize will be acceptable.

### **4.3 BUSINESS PROPOSAL**

The business proposal must contain the following items:

#### 4.3.1 Ability to Perform Scope of Services

Respondent should demonstrate in this section its ability to meet the requirements set forth in Attachment A, Scope of Services.

#### 4.3.2 Contract

Attachment E is the base contract that will be used if an award is made. Any or all portions of this document are incorporated by reference as an addendum to the final contract. If respondent wants to include or change any term of the contract, it must be submitted as an amendment to the contract. See the next section for more instructions on this.

#### 4.3.3 Respondent Contract Requirements

If the respondent wishes to include or change any language in the contract being submitted, proposed language should be included in this section, in the form of an amendment to the contract. For each change included, the respondent should indicate that the change is required by the respondent in any contract resulting from this RFP and why it is required (if the required change is unacceptable to PERF and TRF, the respondent's proposal may be considered unacceptable) or indicate that the change is desired (but not required) by the respondent in any contract resulting from this RFP.



#### 4.3.4 References

The respondent should include a list of at least three (3) clients for whom the respondent has provided products and services that are the same or similar to those products and services requested in this RFP. Any public pension systems and/or private pension plans for which the respondent has provided these products and services should be included; also to be included should be clients with locations near Indianapolis, as site visits may be arranged. Information provided should include the name, address, and telephone number of the client facility and the name, title, e-mail address, and phone/fax numbers of a person who may be contacted for further information. See Attachment B – Vendor Qualifications.

#### 4.3.5 Registration to do Business

Corporate respondents proposing to provide services required by this RFP are required to be registered to do business within the state by the Indiana Secretary of State. The address contact information for this office may be found in Section 1.11 of this RFP. This process must be concluded prior to contract negotiations with PERF and TRF. It is the successful respondent's responsibility to complete the required registration with the Secretary of State. The respondent must indicate the status of registration, if applicable, in this section of the proposal.

#### 4.3.6 Subcontractors

The respondent must list any subcontractors that are proposed to be used in providing the required services. The subcontractor's responsibilities under the proposal, the subcontractor's form of organization, and an indication from the subcontractor of a willingness to carry out these responsibilities are to be included for each subcontractor. This assurance in no way relieves the respondent of any responsibilities in responding to this RFP or in completing the commitments documented in the proposal.

#### 4.3.7 Financial Statements and Quality Assurance Report

This section must include the respondent's financial statements, including an income statement and balance sheet for each of the two most recently completed fiscal years. In addition, please provide a copy of your most recent financial statement audit report. Finally, if available, please provide a copy of your most recent quality assurance or peer review report.

#### 4.3.8 Minority Business Development

The contract goal is that at least seven percent (7%) of state contracts be with minority and women business enterprises as defined in IC 4-13-16.5. This goal is

established under IC 4-13-16.5-2 (f) (7). It is the intent of the Funds to meet or exceed the 7% minority and women's business enterprise participation goal when possible.

Participation does not need to be only through subcontractors, but can also be through second-tier participation with common suppliers (office supplies, courier services, accounting services, janitorial services, etc.). Include only the proportion of those contracts which pertain to the bid being submitted. See Attachment F, Mandatory Vendor Forms.

4.3.9 Vendor Qualifications as listed in Attachment B.

4.3.10 Fee Proposal as indicated in Attachment C.

4.3.11 Mandatory Vendor Forms as indicated in Attachment F.

## **SECTION FIVE PROPOSAL EVALUATION**

PERF and TRF have jointly selected a group of qualified personnel to act as an evaluation team. The procedure for evaluating the responses against the evaluation criteria will be as follows:

1. Each response will be evaluated on the basis of the categories listed below.
2. Based on the results of the evaluation, the proposal determined to be most advantageous to PERF and TRF, taking into account all of the evaluation factors, may be selected by PERF and TRF for further action.
3. In addition, the evaluation team will consider other factors it believes to be material for this selection.

Proposals will be evaluated based upon the proven ability of the respondent to satisfy the requirements in an efficient, cost-effective manner, taking into account quality of service with minimal tolerance for error. Specific criteria include:

1. Fulfilling the requirements set forth in the RFP
2. Technical knowledge, skills and other competencies of the firm
3. Vendor qualifications (Executive Summary, Page 4)
4. Quality of responses to this RFP
5. Quality and detail of COOP and Disaster Recovery Plans
6. Technical knowledge/solution
7. Quality of references
8. Findings during site visit
9. Experience and track record
10. Adequate security of data
11. Experience and track record
12. Price (i.e. detail of fee proposal)
13. Quality of finalist presentation, if selected
14. Special consideration will be given to those able to meet the Buy Indiana Initiative.

All proposals will be reviewed by members of PERF and TRF. References may be contacted. It is possible that finalists will be interviewed by persons participating in the selection process.

## **ATTACHMENT A - SCOPE OF SERVICES REQUIREMENTS**

### **A.1 General Information**

Attachment A details the specific requirements for which Indiana Public Employees' Retirement Fund (PERF) and Indiana State Teachers' Retirement Fund (TRF) are requesting responses. The requirements have been broken down into sections to outline the specific requirements. Each section provides a Background, Supporting Documentation (where appropriate), and Requirements subsection. The purpose of each subsection is as follows:

- **Background:** to provide focus and general context for the requirements within the section. The Background is not intended to be interpreted as requirements.
- **Supporting Documentation:** to provide references, where appropriate, to the Indiana Code, Indiana Administrative Code, PERF and TRF Policies, PERF and TRF forms, or other supporting documentation.
- **Requirements:** to ask for specific responses from the Respondent. It is recognized that there are multiple approaches to satisfying the stated requirements. The desired intent is for the Respondent to provide a recommended solution that best fulfills the requirements regardless of current processes and procedures. PERF and TRF are interested in leveraging the best practices of the Respondent.

## **Work Standards and Processes**

### **Background**

As a part of the daily operations of PERF and TRF, several major processes are performed pertaining to the management of PERF and TRF member accounts. This section details those functions.

#### **Indiana Public Employees' Retirement Fund (PERF)**

The benefits structure of the PERF Fund is comprised of a defined benefit (DB) pension and defined contribution (DC) plan. Commonly, the DC plan is referred to as an annuity savings account (ASA); therefore, "DC" or "ASA" may be used interchangeably within this document. State statute declares that the DB portion of the pension must be paid by the member's employer to fund the member's retirement benefit. State statute also specifies that 3% of the member's gross wages must be contributed to the ASA, but these contributions may be covered by employer and/or employee. In addition to the 3% mandatory contribution, a voluntary contribution of up to 10% of gross wages may be contributed on a post or pre-tax basis.

#### **Indiana State Teachers' Retirement Fund (TRF)**

The Indiana General Assembly created the Indiana State Teachers' Retirement Fund (TRF) in 1921. Since its establishment, the laws governing the administration of TRF have changed and expanded to respond to the needs of our members. The benefits structure of the TRF Fund is comprised of a defined benefit (DB) pension and defined contribution (DC) plan. Commonly, the DC plan is referred to as an annuity savings account (ASA); therefore "DC" or "ASA" may be used interchangeably when being referenced within this document. State statute declares that the DB portion of the pension must be paid by the member's employer to fund the member's retirement benefit. State statute also specifies that 3% of the member's gross wages must be contributed to the ASA, but these contributions may be covered by employer and/or employee. In addition to the 3% mandatory contribution, a voluntary contribution of up to 10% of gross wages may be contributed on a post or pre-tax basis. In addition, TRF consists of two distinct accounts pre-1996 and post-1996 accounts. The difference is that the pre-1996 was a pay-as-you-go account, versus the post-1996 accounts which are fully funded.

#### **Legislators' Retirement System (LE Fund)**

The Legislators' DC Fund is a defined contribution plan covering Indiana legislators. There is no defined benefit part to the plan. A member's defined contribution amount is comprised of an automatic member contribution equal to 5% of the member's gross wages and the employer contribution equal to 20% of the member's gross wages.

#### **1977 Police Officers' And Firefighters' Pension And Disability Fund (77 Fund)**

Police officer and firefighters who are members of this fund work for one of the 142 participating Indiana cities, towns, and townships. The individual must have been hired after April 30, 1977, or converted his or her benefits from an earlier retirement plan to the '77 Fund

plan. Retirements are funded by contributions from both the employer and employee. Eligibility and the amount of a retirement, disability or survivor benefit are determined by pay scale and length of service. In addition, the Indiana General Assembly made the Deferred Retirement Option Plan (DROP) available from January 1, 2003. Beginning July 1, 2006, there is no longer an expiration date for members to choose the DROP. This benefit allows eligible member to continue to work while accumulating a DROP benefit. The DROP allows a member to elect to waive up to 'x' year(s) of service from their monthly pension benefit in lieu of a lump sum payment for that time, paid at time of retirement.

#### **1977 And 1985 Judges' Retirement System (JU Fund)**

Judges who serve in eligible courts and receive a state salary participate in this retirement benefit plan. Only judges who served prior to October 1, 1985, can be members of the 1977 provisions of this system. Participating members contribute 6% of the statutory wage for a maximum period of twenty-two years. The State of Indiana is responsible for paying all of the benefits provided by the plan. Currently, annual appropriations are combined with court docket fees to cover actual benefit payments.

#### **Prosecuting Attorneys' Retirement Fund (PA Fund)**

The Prosecuting Attorneys' Retirement Fund provides retirement benefits to individuals serving in eligible positions and hired after January 1, 1990. Benefits are funded by participant contributions. Members of this fund are also members of the Public Employees' Retirement Fund.

#### **State Excise Police, Gaming Agent, Gaming Control Officer & Conservation Enforcement Officers' Retirement Plan (C&E Fund)**

Employees who perform law enforcement duties for the Department of Natural Resources and the Alcoholic Beverage Commission are enrolled for retirement, disability and survivor benefits as members of the State Excise Police, Gaming Agent, Gaming Control Officer and Conservation Enforcement Officers' Retirement Plan.

#### **Employer Set-up & Maintenance**

1. There are over 1,900 employers currently covered by all of the PERF and TRF Funds. Many of the employers covered by TRF also contain PERF members and vice versa.
2. Each year, new employers are eligible to join PERF in January or July. TRF accepts new employers any time of the year. The LE Fund does not allow for new employers to join the fund.
3. All PERF Funds combined consist of 1,565 employers, while TRF consists of 360 employers.
4. Employers can also enlarge their coverage by expanding the list of positions to be covered by the PERF Fund only.
5. In 2007, enlargements were processed for 51 employers.

### **New Member Set-up**

Through the addition of new units, or through enlargements (when an existing employer participating in PERF expands the positions that are covered by PERF), newly enrolled members are able to join each of the various funds. PERF processes approximately 1,900 new member applications per month. In addition to PERF's volume, TRF typically processes most applications in August and September, with an off-peak high volume of 231 new member applications. It is the expectation of PERF and TRF that, at a minimum, the following will take place for each new member:

1. An account will be set up, to be maintained with the current balance of that member's account.
2. A "Welcome Packet" must be sent to the new member of each fund. As part of that packet, each member must be given the opportunity to elect his or her investment options and beneficiary. In an effort to ensure that all members are fully educated, information related to the member's Defined Benefit will be required to be communicated, if applicable.
3. In addition, the vendor must make an attempt to provide education in some manner regarding the fund and the rules governing that fund.
4. Finally, the vendor must attempt to ensure that the member is provided the opportunity to enroll for online services. More details of online services are provided on page 49.

### **Ongoing Member Account Maintenance**

While each of the funds will add new members on a regular basis, each fund will also have ongoing active accounts to be maintained for its various members. The following outlines some of the key aspects of the ongoing account maintenance.

1. Each of the funds contains a different number of members. The following outlines the current approximate number of active and inactive members in each of the funds:

<u>Fund</u>	<u>Active</u>	<u>Inactive</u>
PERF	167,000	98,000
77 Fund	13,000	1,600
LE Fund (DB)	174	28
C&E Fund	480	50
PA Fund	430	90
JU Fund	385	60
TRF Fund	76,000	42,709
LE Fund (DC)	215 Total Members	

2. It is the anticipation of PERF and TRF that the recordkeeper will be responsible for ensuring that all current and new employees are set up as part of recordkeeping services.
3. As part of the initial set-up, the vendor must ensure that an ASA (DC) account is established for each member. Each member may have multiple accounts that will need to be maintained separately. For example, a member may have been part of PERF and TRF

resulting in two separate ASA accounts. These accounts must be maintained separately for various reasons, such as having different investment option elections.

- a. In addition to each separate account, some of the funds have taxable and non-taxable portions of the ASA accounts. These balances may be part of the member's account balance, but must be represented separately.
  - b. State statutes allow for members to perform a rollover into the various funds. The vendor must not only ensure that it is able to accept the rollover, but must ensure that the balance is maintained separately. There are investment option limitations for these rollovers.
4. Some members also take an ASA distribution, only later to return to service. If the PERF member returns to service within 30 days, the member must return the funds and his account must be reestablished. However, if the member returns to work outside of 30 days, then all service credit must be restored with the ASA balance at zero.
5. As part of ongoing maintenance, the vendor will need to ensure that it is properly accepting:
  - Member demographic changes
  - Beneficiary changes (including demographic changes)
  - Investment Option Changes
  - Pre/Post Tax Voluntary Contributions
6. In addition to maintaining demographics and investment option changes, it will be essential for the vendor to maintain proper account balances of the members' service credit. Service credit is used by PERF and TRF to determine eligibility for retirement, as well as in the calculation of members' benefits. The vendor will be required to maintain an up-to-date balance of this data, which will be provided by PERF and TRF via data feeds.
7. All active PERF and TRF members have the option to roll money from an outside retirement plan into the funds. This money is maintained in a completely separate account from the member's ASA balance due to the different rules that apply:
  - The rollover money cannot be invested in the Guaranteed Fund.
  - The money rolled into the fund can be allocated in different options from how their DC account is invested.
  - The money can be refunded at any time, even if the member has not terminated service.
  - Money Market is an additional investment option available to rollover accounts only (for TRF members only).

### **Wages and Contributions**

Wage and contribution data is collected at least quarterly for all funds. Wages are used in the calculation of a member's benefit. This data is used differently for each fund. For example, wages are used to calculate the member's high-five average compensation, which is used to



calculate the member's monthly benefit for PERF or TRF. The 77 Fund, on the other hand, uses certified annual salaries in calculating the member's benefit. The vendor will be expected to understand this data and the various ways in which the data is used, in order to answer the level one questions presented by members. However, all corrections or identified discrepancies of this data will be handled by PERF or TRF. The vendor will be fully responsible for ensuring the proper balancing and valuation of the member's DC accounts. The following outlines, at a high-level, the wage and contribution reporting process:

1. At least quarterly, the employer reports the wages and contributions to be applied to each member's account. However, each employer has the option to provide this data as frequently as on a payroll basis. This data may contain the mandatory 3% paid by employers, as well as any voluntary contributions paid by the member.
  - a. All data is reported via PERF/TRF Online.
2. PERF/TRF Online immediately reviews the data provided and suspends all errors. All errors remain in suspense until the issue is resolved. Data passing all edits is submitted along with the appropriate funds. All suspended items will need to be corrected by the employer and resubmitted.
  - a. PERF and TRF do not allow identified data issues to be passed into the processing systems.
3. Once collected, all financial data is transferred to one or more systems:
  - a. Data is posted in the financial system and posted in the appropriate ledgers.
  - b. Data is posted on the Defined Benefit System. Employer contributions are used to fund the member's service credit and posted.
  - c. Data is posted on the vendor's Defined Contribution System. All detailed transactions and data will need to be maintained by the recordkeeper.
4. At the same time that the financial data is submitted to PERF, money is sent to a lock box and recorded by the Auditor and Treasurer of the State.
  - a. Once recorded, the funds are passed back to PERF.
5. TRF currently does not pass money to the Auditor and Treasurer of the State.
6. All monies are then transferred to the appropriate custodian.

### **Investments & Money Management**

In order to ensure that all members are able to meet their retirement goals, managing their investments is crucial to assisting these members. Currently, PERF and TRF each have their own investment staffs that manage their respective money managers. It is anticipated that both PERF and TRF will maintain current relationships with the current money managers. However, there are several key tasks for which the vendor will be responsible. The following outlines those responsibilities:

1. As of June 30, 2007, the total net assets of each of the funds was as follows:

<u>Fund</u>	<u>Net Assets</u>
PERF	\$13,262,414,000
77 Fund	\$3,310,171,000
LE Fund (DB)	\$5,498,000
LE Fund (DC)	\$25,729,000
C&E Fund	\$63,172,000
PA Fund	\$26,189,000
JU Fund	\$233,386,000
TRF Fund	\$8,981,000,000

2. The following are the available investment options available to all of the fund members. However, only the LE Fund, PERF and TRF members have the option of directing the investment of their money. The other funds are automatically invested in the CRIF. Therefore, the vendor will need to ensure that these options are available for the three funds.

<b>Investment Options</b>	<b>PERF</b>	<b>LE Fund</b>	<b>C&amp;E Fund</b>	<b>PA Fund</b>	<b>JU Fund</b>	<b>77 Fund</b>	<b>TRF</b>
<b>CRIF</b>		X	X	X	X	X	
<b>Guaranteed Fund</b>	X						X
<b>S&amp;P Stock Fund</b>	X	X					X
<b>Small Cap Fund</b>	X	X					X
<b>International Fund</b>	X	X					X
<b>Bond Fund</b>	X	X					X
<b>Money Market Fund</b>	X	X					Rollovers Only

3. The CRIF is combined for investment purposes with pension assets. Members investing in this fund earn the pension portfolio rate of return.
4. The Guaranteed Fund is combined for investment purposes with pension assets.
  - a. However, investors are guaranteed a pre-determined rate of return, currently 6.5%, paid quarterly, which is established at least annually by PERF's Board of Trustees. TRF Investors will receive a 6% guaranteed rate of return for investing in TRF's Guaranteed Fund. This rate is established by TRF's Board of Trustees. As of July 1, 2008, TRF will have a Guaranteed Fund rate of 5.5%.

- b. Money is transferred from the ASA into combined pension assets if the portfolio return exceeds the guaranteed rate, and from combined pension assets into the ASA, if the portfolio return falls short of the guaranteed rate.
  - c. Approximately 80% of PERF ASA assets are invested in the Guaranteed Fund, and approximately 65% of TRF ASA assets are invested in its Guaranteed Fund.
  - d. By statute, PERF's and TRF's Boards can change the rate of return on the Guaranteed Fund.
- 5. With the exception of the Small Cap Funds, PERF passively manages all stock and bond funds.
- 6. With the exception of the S&P 500 Fund, TRF actively manages all stock and bond funds.
- 7. PERF and TRF are considering adding static allocation balanced funds (lifestyle funds) or dynamic allocation balanced funds (lifecycle funds) or both. The investment officers may manage these options using various mixes of other managers, or they may be externally managed. In addition, other investment options may be added in the future.
- 8. Investment elections are currently conducted on a quarterly basis, upon 30 days advance notice, for the PERF and TRF Funds. Elections for existing balances and future contributions must be the same. The same election must apply to employee and employer contributions. Elections must be in 10% increments. These accounts are also valued on a quarterly basis. LE Fund elections can be made and are valued on a daily basis. However, PERF and TRF are strongly considering daily valuations as well, assuming the vendor has the ability to handle daily valuation.
- 9. PERF and TRF do not currently provide investment advice to members.
- 10. In addition to ensuring investment allocations are handled appropriately, the vendor must ensure that quarterly statements are provided to the members. Currently, PERF, LE Fund and TRF send out member statements on a quarterly basis. In addition, PERF provides annual statements to members of all other funds.

### **Loan Processing (LE Fund only)**

Pursuant to statute (IC 2-3.5-5-11), a member of the LE Fund is allowed to take out a loan. The vendor will be required to handle loans and loan payment processing. All loans must comply with Section 72(p) of the Internal Revenue Code, with no more than two new loans permitted during any plan year. There currently is not a maximum number of loans that a legislator may have outstanding at any time, but the dollar amount is limited to \$50,000. The vendor will need to demonstrate the ability to handle this loan process.

- 1. PERF does not require the vendor to follow the current steps to process a loan. A demonstration of how the vendor will handle the loan process will be required. The following are the steps currently performed to process a loan:
  - a. Member completes and submits loan application form to PERF.
  - b. PERF reviews the loan application.

- c. PERF administrator will sign and authorize the loan after it is verified by the vendor to ensure the requestor is in compliance with the aforementioned IRS regulations.
  - d. PERF meets with the member to review the loan documentation.
  - e. Member signs all the remaining loan documentation required to process the loan.
  - f. The recordkeeper issues the loan check and delivers it to the member.
2. The following steps are currently performed during the repayment processing:
- a. Member delivers/sends loan payment to PERF.
  - b. Loan payments are processed.
  - c. Monthly payment report and missing payment report are created.
  - d. PERF contacts members regarding missing payments.

### **Contact Center**

Customer service is extremely crucial to the business of both PERF and TRF. It is the goal of both funds to ensure that all members and employers receive the best possible customer service experience possible. Currently both funds have contact centers located on their premises. It is the expectation that the vendor will receive and handle a majority of all contacts made to PERF or TRF. The following are the top reasons why members and employers contact PERF and TRF:

<b><u>PERF Contact Reason</u></b>	<b><u>Percent</u></b>	<b><u>TRF Contact Reason</u></b>	<b><u>Percent</u></b>
<b>General Instructions</b>	1.90%	<b>Federal and State Tax Forms</b>	32.10%
<b>Benefit Estimate Calculator</b>	1.90%	<b>Investment Direction Forms</b>	29.19%
<b>Investment Direction</b>	2.40%	<b>Direct Deposit Forms</b>	21.48%
<b>Retirement Application</b>	2.60%	<b>Service Credits</b>	9.17%
<b>Taxes</b>	2.90%	<b>New Enrollments</b>	8.05%
<b>Qualifications</b>	3.10%		
<b>Direct Deposit</b>	3.30%		
<b>Years of Service</b>	3.50%		
<b>ASA Balance</b>	3.70%		
<b>1099</b>	4.10%		
<b>Distribution</b>	4.30%		
<b>Address/Name Change</b>	4.70%		
<b>Retirement Process</b>	9.10%		
<b>Distribution Process</b>	9.90%		
<b>Miscellaneous</b>	10.40%		
<b>Status of Check</b>	14.00%		

If a member request cannot be handled by the vendor, it is the expectation of both PERF and TRF that the member will be elevated back to the appropriate fund. Some of the reasons that a call might be elevated to the fund would be:

- A complaint
- Disputing retirement eligibility
- Detailed service credit questions
- Any question that the vendor is unable to answer
- Any final determination needing to be made by PERF or TRF

In addition to PERF and TRF maintaining an elevated contact center to resolve any issues, a Vendor Management Organization will be in existence. This organization will be a liaison between the business and the vendor to ensure that all issues are resolved promptly. This organization will also ensure compliance with all determined and outlined procedures. A yet to be determined contact will be provided as this key liaison.

### **ASA Distributions**

It is the expectation of both PERF and TRF that the vendor will be fully responsible for the distribution of all ASA funds. Currently, if a member is considered non-vested based upon the specific rules of his or her fund, that member may withdraw the balance of his or her ASA account. The following will outline some of the high-level rules related to taking an ASA Distribution for each fund.

**1. Indiana Public Employees' Retirement Fund (PERF):** PERF currently processes approximately 200 to 225 ASA Distribution applications each week. Approximately 30% of that number represents incorrect or incomplete applications that require additional attention. A member may withdraw his or her ASA balance if:

- The member has terminated service with a PERF-covered employer;
- The member is not qualified by service and age for retirement benefits from the Fund;
- The member is not on a leave of absence;
- The member will not be planning on returning to service with a PERF-covered employer;
- The member is not currently employed in a position covered either by PERF or TRF and is not service and age eligible for retirement with combined PERF/TRF service. (This provision includes "early" retirement).

**2. Indiana State Teachers' Retirement Fund (TRF):** TRF currently processes approximately 50 to 75 ASA Distribution applications each week. A member may withdraw his or her ASA balance if:

- The member has terminated teaching service for the State of Indiana;
- The member is not currently qualified by service and age for retirement benefits from the Fund (this provision includes "early" retirement);
- The member is not on a leave of absence;
- The member is not planning to return to teaching service for the State of Indiana during the next academic school year;

- The member is not currently employed in a position covered either by PERF or TRF and is not service and age eligible for retirement with combined PERF/TRF service. (This provision includes "early" retirement).

If the member has ten (10) or more years of creditable service in the Fund, he or she will be entitled to a retirement benefit if the money is left in the Fund. If the member withdraws his or her money, his or her right to a retirement benefit will be restored only if he or she return to active teaching service AND earns a minimum of one year of creditable service.

- 3. Legislators' Retirement System (LE Fund):** Currently, a third-party vendor manages all ASA Distribution requests submitted by LE Fund members. The member is entitled to withdraw the account at any time following separation of service, but the age at distribution and the payment option chosen will have certain tax consequences. The amount available for withdrawal upon separation of service from the General Assembly is the market value of the account. Currently, the LE Fund is the only fund that has daily valuation. The Defined Contribution Plan's member account balance may be withdrawn at any time following separation of service in the General Assembly. The payment option chosen and age at the time of distribution will have specific tax consequences. The following are the five options available to members:

- Purchase of an annuity with the total balance of the account;
- Monthly installments of the total account balance;
- Complete distribution of the account based on tax preferences;
- Partial distribution and an annuity;
- Monthly installments.

- 4. 1977 Police Officers' And Firefighters' Pension And Disability Fund (77 Fund):** If a member of the 77 Fund ends his employment, other than by death or disability, before completing 20 years of service, he may apply for an ASA distribution of his member contributions plus accumulated interest. Should he not request a distribution immediately, his account will earn interest for a period of five years. However, if the member returns to service after taking a distribution, he is entitled to credit for his prior years of service only upon paying back the total amount of the distribution including interest. If the member has at least 20 years of service and decides to terminate employment before being eligible for a retirement benefit, the member contributions will be held until becoming eligible for a benefit (age 50 for a reduced benefit, or age 52 for an unreduced benefit). The member contributions will be used to help fund the member's retirement benefit.

- 5. 1977 And 1985 Judges' Retirement System (JU Fund):** A member of the 1977 Judges' Retirement System may withdraw his six percent (6%) contributions (without interest) if he terminates service as a judge and has less than twelve (12) years of creditable service. The rules are slightly different if the individual is a member of the 1985 System. If the member ceases service as a judge under the 1985 System other than by death or disability and is not eligible for a retirement benefit, he is entitled to withdraw from the system. Under both the

1977 System and the 1985 System, members are entitled to receive total distributions of their accounts. The following are the three options available to the members:

- To have the total amount of contributions, less the mandatory withholding for federal income tax, paid directly to the member.
- To have the entire taxable portion of contributions paid in the form of a direct rollover to an Individual Retirement Account (IRA) or a Qualified Retirement Plan which has provisions allowing it to accept the rollover on the member's behalf.
- If the amount of the account is at least \$500, the member may have a part of the taxable portion of contributions paid in the form of a direct rollover to an IRA or a Qualified Retirement Plan, provided the plan has provisions allowing it to accept the rollover on the member's behalf.

**6. Prosecuting Attorneys' Retirement Fund (PA Fund):** If the member ceases service as a prosecuting, or chief deputy prosecuting attorney, and is not eligible for a retirement benefit, he is entitled to receive a distribution of his total contributions plus interest at the rate of five and one-half percent interest (5.5%) compounded annually. The payment is to be made no later than sixty (60) days after the date the application is received. Once the member has withdrawn contributions plus interest, he is not entitled to receive service credit prior to the date of withdrawal. There are no provisions to allow a repayment of the funds withdrawn; therefore, the service credit cannot be recovered. Therefore, the vendor must confirm with the member that they will not be returning to service as a prosecuting or chief deputy prosecuting attorney prior to requesting the distribution.

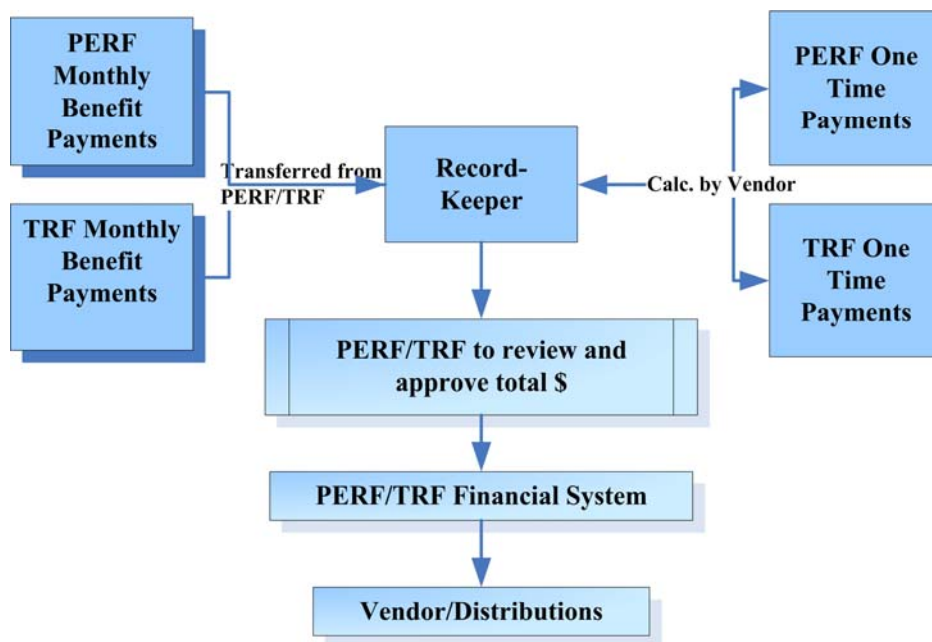
**7. State Excise Police, Gaming Agent, Gaming Control Officer & Conservation Enforcement Officers' Retirement Plan (C&E Fund):** A participant who terminates employment with less than 15 years of creditable service and before attaining 45 years of age is entitled to a lump-sum refund of all of the participant's contributions to the participant's ASA plus any accumulated interest.

As part of the ASA distribution process, the vendor must ensure that several things occur. The vendor must validate that the member is eligible for a distribution. This includes not only ensuring that the member has a positive ASA balance, but also verifying that the member is not eligible for a retirement benefit. The vendor must ensure that the member will not be giving up a retirement benefit by taking the distribution. Therefore, for those cases determined to be in question, the vendor must contact PERF or TRF to determine if the member's actions may result in an unintended forfeiture of a pension benefit. If the member is eligible for a pension benefit, the distribution will need to be cancelled and a retirement application package will be sent to the member with a benefit estimate. All service credit issues will be resolved by the related fund. Finally, all IRS guidelines and laws must be observed and applied to handling the ASA balances, including, but not limited to, IRC 401(a)(9) Required Minimum Distribution rules.

### **Disbursements & Monthly Benefit Payments**

In addition to the ASA distributions paid out by the vendor, all monthly disbursements will also be paid. This will be done through an *impressed fund*. The *impressed fund* is a "zero balance" fund, by

which distributions will be paid once approval is provided by both PERF and TRF for disbursements. The following provides an overview of the basic structure to be set-up by the vendor and PERF/TRF:



PERF and TRF will calculate all monthly pension benefits for members. Once calculated, the vendor will be expected to maintain the monthly benefit amount to create the monthly benefit checks for each applicable member. The benefit check balances will need to be approved on a monthly basis with PERF and TRF in order to ensure that funds will be transferred to the vendor in order to issue appropriate payments to the members. As part of this process for monthly disbursements, an ACH may be made into the member's account. Currently, all rollovers are made via check; however, they may be made via ACH, if the capability exists. Once disbursements are made, all necessary reports and data must be transferred to PERF and TRF in order to update the respective general ledger.

The recordkeeper will be expected to pay all current and future monthly recurring benefits. The following are the number of benefits paid by the funds each month as of June 30, 2007:

<u>Fund</u>	<u>Retiree</u>
PERF	61,646
77 Fund	2,373
LE Fund (DB)	20
C&E Fund	141
PA Fund	54
JU Fund	264
TRF Fund	41,253



Some members are paid out of multiple funds and currently receive multiple checks or ACH payments from PERF. Approximately, 65% to 70% of all monthly PERF recurring payments are done via ACH; while 90% of all TRF recurring payments are done via ACH. All one-time ASA Distributions are currently paid via check.

The vendor must ensure that it maintains a balance of outstanding checks to allow for appropriate action to be taken, which may require that the vendor reissue a check. A check may be issued for several reasons. The following outlines the main reasons why a check may need to be replaced:

- Returned Checks
- Returned ACH
- Rollover Name Changes
- Stale Checks
- Reissued Checks
- Stolen Checks
- Lost Checks
- Mutilated Checks

The recordkeeper must ensure that it verifies, prior to each monthly distribution, that the member has not passed away. Each identified member death must be reported to PERF or TRF. If a payment is made to a deceased member, the recordkeeper must ensure that all funds are recouped.

### **Tax Implications**

Tax is withheld from disbursements to both vested and non-vested members. Federal taxes are withheld on the taxable portion of an eligible rollover distribution at a rate of 20%, unless rolled over into a non-Roth IRA account. For rollovers to Roth IRA accounts, withholding will not apply. Members have the option to have state tax withheld, which is currently at 3.4%. The tax information is reported to the IRS on a weekly basis. At year-end, the vendor will be expected to provide a 1099R to any member receiving a distribution of any type. In addition, the vendor will be expected to perform all annual IRS filings. All IRS rules, guidelines, and laws will need to be followed.

## **Requirements**

### **Employer Set-up & Maintenance**

1. Describe your approach for processing new employers after approval by PERF's or TRF's Board of Trustees.
2. Describe your initial approach at setting up employers upon contract signing.
  - a. How does this approach differ from setting up new employers?
3. Describe your approach for maintaining employer information.
4. Describe your training plan for orientating employers.
5. Describe your communication plan for interacting with employers.
6. Describe the online capabilities that will be available to employers.

### **New Member Set-up**

1. Describe your approach for setting up new members when reported by PERF or TRF, keeping in mind the process outlined previously.
2. Describe your training plan for orientating members.
3. Describe your approach for maintaining member information.
4. Describe the related timeframes for setting up new members.

### **Ongoing Member Account Maintenance**

1. Describe your approach for maintaining current accounts.
2. Describe the approach for ensuring accounts will be maintained separately.
  - a. Describe how this will be reflected in your system.
3. As some members have accounts in multiple funds, describe how these accounts will be maintained separately.
  - a. Describe how this will be reflected in your system.
4. Describe how the taxable and non-taxable portions will be maintained separately.
  - a. Describe how this will be reflected in your system.
5. Describe how member rollover accounts will be maintained separately.
6. Describe your approach for maintaining and regularly updating member information, such as demographics.
7. Describe your approach for maintaining and regularly updating beneficiary information.
8. Describe your approach for how a data feed of updated information will be provided to, and received from, PERF or TRF?
9. Describe your capabilities for tracking eligibility service.
10. Describe your communication plan for interacting with members.
11. Describe the online capabilities that will be available to members.

12. Describe your capabilities for accepting member data in both electronic and paper formats.
13. Describe your approach for processing rollovers into PERF.
14. Describe your approach for verifying that the money is being rolled in from an approved institution.
15. Describe your approach for maintaining the different balances and applying the differing rules to the rollover and ASA accounts.

### **Wages & Contributions**

1. Explain how errors are handled through your recordkeeping system for:
  - a. Contributions
  - b. Withdrawals/Distributions (both over- and under-payments)
  - c. Transfers
  - d. Allocation of earnings
  - e. Tax reporting
  - f. Invalid Social Security numbers
  - g. Incorrect member names
2. Is this error-handling process manual, or can corrections be handled systematically? Please describe this process in detail.

### **Investments & Money Management**

1. Describe your approach for processing member investment option changes.
2. Describe your method for confirmation of investment option changes.
3. Describe your approach for making adjustments to interest and earnings.
4. Under what circumstances will you make adjustments?
5. Describe your approach for reconciling investments to member balances.
6. Describe the statement options available to the member.
7. Will members have access to past statements online?
8. Provide a sample statement that you have produced for plans similar to the plans outlined herein.
9. Confirm that statements can be personalized for each of the funds separately.
10. Confirm that you can provide quarterly participant statements of account within 15 days of the end of the quarter for the daily valued investment options.
11. Describe if you provide investment advice. If so, please describe the level of advice provided.
12. Describe your plan for handling returned mail.
13. Describe your plan for handling invalid addresses.
14. Describe your plan for stopping the future generation and mailing of statements with invalid addresses.

15. Describe what fund offerings are available, as PERF or TRF may choose to offer one or more of these funds at a later date.
16. Describe your internal investment management capabilities and breadth of fund offerings.
17. Do you offer funds outside your own family? Include a complete list of outside offerings.
18. Describe any limitations on the use of outside funds and any additional fees. Please include fees in your fee proposal.
19. How many outside funds would PERF or TRF be allowed to utilize?
20. How many investment options would you be willing to administer on PERF and TRF's behalf?
21. Complete the following table, providing your recommended investment funds. Performance information should be provided for the cumulative periods ended December 31, 2007.

***Annualized Performance (%)***

<b>Option</b>	<b>Allocation</b>	<b>Fund Name</b>	<b>3 Years</b>	<b>5 Years</b>	<b>10 Years</b>	<b>Bench mark</b>	<b>Expense Ratio</b>
Stable Value							
Core Bond							
Balanced							
Real Estate Investment Trusts							
S&P 500 Index							
Large Cap Value							
Large Cap Growth							
International							
Small Cap Value							
Small Cap Growth							

- a. Please include additional fees related to these funds in your fee proposal.
22. Describe the type of investment vehicle proposed, for such funds as mutual or commingled, and frequency of valuations.
23. What lifestyle and lifecycle investment managers do you have relationships with? Please describe those funds.
24. Please note that PERF and TRF would consider allowing the selected Vendor to manage some or all of the investment options, excluding the Guaranteed Fund & CRIF, to reduce the plan cost. Describe how this may impact your proposal.
25. Describe your company's ability to enforce the investment election restrictions described above.
26. Describe how your company will support all of PERF's or TRF's investment options, now and in the future.
27. How often may PERF or TRF change the investment menu?

28. Certain investment options are legislated; however other options could be added. Discuss your strategy and proposal for PERF or TRF.
29. If PERF or TRF chooses to allow employees more flexibility, would you permit the following:
  - a. Daily changes without advance notice
  - b. Different elections for existing balances and future contributions
  - c. Different elections for employee and employer contributions
  - d. Elections in 1% increments
30. What is your approach for allowing members to change investment options?
31. Describe your company's experience with recordkeeping guaranteed accounts, as previously described.
32. Describe your company's experience with recordkeeping accounts with differing guaranteed rates for differing time commitments.
33. What member liquidity restrictions would you recommend?
34. What retirement advice tools would be available to members?
35. Describe your procedures for communicating purchase and sale directions, such as transfers, withdrawals, rollovers to the custodian.
36. What is the trading deadline for account investment changes?
37. How soon after receipt of funds are dollars invested?
38. How often would the financials be reconciled with PERF and TRF?

#### **Loans (LE Fund only)**

1. Describe your approach for processing member loans.
2. Describe your approach for setting up loan payments with LE Fund members.
3. Describe your approach for processing member loan payments.
4. Describe the approach to be taken when issues arise in payments from members.

#### **Contact Center**

1. What automated phone capabilities are available to members? Employers?
  - a. Provide the menu options from which a member can choose while in the automated phone system.
2. Will employers have a separate phone number or call option?
3. How many telephone service representatives are available and when can representatives be reached?
4. Are representatives trained and dedicated to specific plans or plan features?
5. Would PERF or TRF incur any additional costs for dedicated representatives?
  - a. If so, please ensure all costs are included in your Fee Proposal.

6. Describe how contacts from each of the funds will be tracked separately.
7. Describe the tracking as it relates to members who are members of multiple funds.
8. Describe the training and education process for telephone service representatives. How are contact center representatives informed when plan rules or interpretations change?
9. How do telephone service center representatives identify themselves to participants?
10. What security features are in place to ensure only the correct participant is given personal information?
11. Please provide the annual employee turnover rates in the telephone service center for the last five years.
12. What security procedures are used at your telephone service center to authorize phone transactions?
13. Describe your process for handling member complaints and disputes.
14. On average, how long does it take your company to respond to participant telephone calls, e-mails, and written requests?
15. Provide your performance standard and results for the last 12 months ending on 03/31/08:

<b><u>Performance Area</u></b>	<b><u>Function</u></b>	<b><u>Performance Measure</u></b>	<b><u>Performance Standard</u> <u>Commitment to</u> <u>PERF/TRF</u></b>	<b><u>Average of</u> <u>All clients</u></b>
Technology Performance	Telephone availability	% of calls answered (no busy signal)		
Technology Performance	Telephone availability	% of calls answered during annual enrollment window (no busy signal)		
Technology Performance	Recordkeeping system availability	% availability on a 24 hr X 7 day basis (excluding maintenance and upgrades with prior notice)		
Technology Performance	IVR system availability	% availability on a 24 hr X 7 day basis (excluding maintenance and upgrades with prior notice)		
Technology Performance	Internet system availability	% availability on a 24 hr X 7 day basis (excluding maintenance and upgrades with prior notice)		
Telephone Performance	Contact center availability	% availability (other than force majeure) during normal business hours		
Telephone Performance	Call responsiveness	% of calls answered within 30 seconds		
Telephone Performance	Call responsiveness	% of calls answered within 4 minutes		
Telephone Performance	Calls abandoned	% of calls abandoned		
Quality & Satisfaction	Call accuracy	% of calls free of errors related to substantive, plan design and benefit		

<b><u>Performance Area</u></b>	<b><u>Function</u></b>	<b><u>Performance Measure</u></b>	<b><u>Performance Standard Commitment to PERF/TRF</u></b>	<b><u>Average of All clients</u></b>
		coverage issues		
Quality & Satisfaction	Call quality	% average		
Quality & Satisfaction	Employee satisfaction survey	% average		
Quality & Satisfaction	Non-telephone transactions	% of transactions free of errors		
Quality & Satisfaction	Correction of reported data errors	% corrected within 5 business days		
Quality & Satisfaction	Workflow requests	% of participants contacted within 48 hours following receipt of call.		
Quality & Satisfaction	Workflow requests	% of participants contacted within 72 hours following receipt of a written inquiry using a turnaround document.		
Quality & Satisfaction	TPA management reporting and performance measures package	Mailed within 10 days after end of month		
Quality & Satisfaction	DC system update	% of all system updates (including pricing and transactions) completed by 6AM following trade date assuming final pricing information is supplied in timely manner by fund managers		
Quality & Satisfaction	Provide payroll interfaces	Provide interface to payroll for deduction changes (contribution rates, loan start/stops) on scheduled date with 99% accuracy		
Quality & Satisfaction	Interface to disbursement agents	Provide interface to disbursement agent for monthly changes on scheduled date with 99% accuracy		
Quality & Satisfaction	Invest payroll contributions	Invest payroll contributions in plan investments on the scheduled payday allowing for 2 days of processing a file in good order		
Quality & Satisfaction	Mail quarterly statements	DC Account Statements mailed by 10 business days following end of quarter, excluding statement pulls due to payroll error or inaccurate/missing data		
Quality & Satisfaction	Mail retirement packages	Mail all retirement packages within 2 business days after request is made to a Benefit Center		

<u>Performance Area</u>	<u>Function</u>	<u>Performance Measure</u>	<u>Performance Standard Commitment to PERF/TRF</u>	<u>Average of All clients</u>
		Representative assuming all relevant and necessary information is stored electronically and is available		
Quality & Satisfaction	Process transactions upon receipt of written authorization	Process all transactions requiring written authorization (acknowledgment of DROP requests, hardship withdrawals, principal residence loan requests, pension retirement initiation, rollover requests, income verification) within 2 business days		
Performance	Contribution reconciliation and posting	# days from receipt of payroll data		
Performance	Distributions paid	# days from receipt of request		
Performance	Investment fund transfers processed	# days from receipt of request		
Performance	Confirmations mailed	# days from execution of transaction or request		
Performance	Participant statements mailed	# days from period end		

16. What management procedures are in place to monitor response time and quality?
17. What commitment will you make regarding response time?
18. Describe the reports available relating to call volumes, response time, abandoned calls, number of transactions, etc.
19. Do service representatives have access to account documents via an imaging system?
20. Does your phone system offer voice recognition, Spanish language, and TTY capabilities?
21. Describe your quality standards and how you ensure that the service provided by your representatives meets these standards.
22. Are all phone calls recorded? If not, how are disputed calls handled?
23. How frequently, as a percentage of total phone-time, are representatives' conversations monitored?
24. How many and where are your call centers located?
25. What are the call centers' standard hours of operation?
26. Describe your call center cutover plans in case of a disaster.



27. Given the complexity that will exist in dealing with multiple funds, describe how this will be dealt with from a customer service perspective.
28. How frequently do you send newsletters to your members?
29. How does your company measure and evaluate client satisfaction?
30. How does your company intend to report the results of such measurement to PERF and TRF?
31. What are your company performance goals in terms of client satisfaction?
32. Does your company conduct client specific employee surveys to measure employee satisfaction with its administrative service? Is the cost of this service included in the fee proposal? Please provide the results of your most recently completed client survey.
33. What quality control systems do you have in place?
34. Describe the quality improvement system you have in place.
35. Name the person who will have overall, hands on, account management responsibilities for the various funds.
  - a. Provide the resume for this individual including his or her qualifications, experience, number of years with your company, and primary work location.
  - b. Describe the duties and responsibilities that this person will have.
  - c. Provide a list of his or her accounts, number of plan participants, members, and length of relationship.
  - d. Describe your contingency plan to replace this person if he or she has a significant work absence or leaves the company.
36. Describe the percentage of time this individual will expect to dedicate to PERF and TRF's accounts, both during the first year and later years of the contract.
37. If your company uses a team approach to service clients, describe the following:
  - a. How many team members would your company assign to PERF's account?
  - b. How many team members would your company assign to TRF's account?
  - c. For how many other accounts/clients would the assigned team be responsible?
  - d. Describe any conflict with multiple processing schedules. How does your company provide backup?
  - e. Describe the size of an average defined contribution service team and team members' functions.
38. How do you assure quality control and customer satisfaction with regard to staffing?
39. How do you assure continuity in the event of absences of assigned staff?
40. Does your company offer a career path for customer service representatives (CSRs) within that department?
41. What is your compensation philosophy for your CSRs?
42. Do you have a separate staff for Fund Administrator customer support?

43. What is your company's policy for initial and ongoing training and licensing of customer service personnel? Include a description of your required licensing and education program.
44. Describe your company's commitment to continuing education and outside learning. List any financial or similar incentives provided.
45. Do you have a continuing education program in place for your service personnel to stay current of plan changes, changes in the law and investments? Please describe.
46. How will your customer service center representatives be trained on the particulars of the various plans? Provide a sample of the type of training manual that you would propose to use.

### **ASA Distributions**

1. Describe your approach for processing distributions of ASA accounts.
2. Describe how you will interact with members when questions arise regarding distributions.
3. Given the requirements for ensuring the vesting status of members, describe how you will interact with PERF or TRF when research is required regarding a member's vesting status.
  - a. Describe how you will ensure that members do not take a distribution unnecessarily.
4. Describe your approach for interacting with employers to obtain last day in pay status.
5. Describe your quality assurance plan to ensure that distributions are processed accurately.
6. Describe your approach for handling incomplete distribution applications.
7. Describe your approach for handling Required Minimum Distributions (RMDs).
8. Describe your approach for canceling a distribution that has occurred erroneously and restoring the money back to a member's account upon return to work.
9. Describe the related accounting that will occur, and be reported to PERF and/or TRF.

### **Disbursements**

1. Describe your approach for creating checks for member disbursements.
2. Describe your timeframe for generating a disbursement check once the claim is approved.
3. Describe your approach for mailing member distribution checks.
4. Describe your approach for dealing with lost or returned checks.
5. Describe how disbursements will be authorized.
6. Describe your preferred method for cash disbursements.
7. Describe your preferred method for how money should be transferred from the custodian for disbursements.
8. Describe how the cash disbursements will be transferred to the PERF general ledger group.
9. Describe how the cash disbursements will be transferred to the TRF general ledger group.
10. Describe your approach for processing a member's rollover to another institution.
11. Describe your approach for setting up monthly disbursements in your processing system.

- a. Are you able to do single payments via EFT/ACH?
12. Describe your normal reconciliation process.
13. Describe what reports will be available and the method for retrieval.
14. Describe and provide examples of standard financial and auditing reports.
  - a. With what frequency will the reports be available?
15. Describe the typical discrepancy resolution process, as related to financial reconciliations.
16. Describe the typical resolution process as related to financial reconciliations, and the turnaround time for resolution.
17. Please provide a name and background information for the financial contact(s) with whom PERF or TRF will be working with regard to financial issues.
18. Describe your company's approach for dealing with the following:
  - a. Returned Checks
  - b. Returned ACH
  - c. Rollover Name Changes
  - d. Stale Checks
  - e. Reissued Checks
  - f. Stolen Checks
  - g. Lost Checks
  - h. Mutilated Checks

### **Tax Implications**

1. Describe your approach for reporting tax information to the IRS and PERF or TRF.
2. Describe your approach for creating 1099R reports for members.
3. Describe your approach for creating corrected 1099Rs.
4. Describe your approach for creating duplicate 1099Rs.
5. What is your retention method for 1099Rs?
6. What is the current compliance rate of processing 1099Rs by January 31<sup>st</sup>?
7. Describe your normal reconciliation process as it relates to tax reporting.
8. Describe your normal process for ensuring weekly and monthly payments of taxes are made on a timely basis. Please describe the process in detail.
  - a. Please provide the related turnaround times.
9. Please provide a name and background information for the financial contact(s) with whom PERF or TRF will be working with regard to tax reporting.

## **Confidentiality**

### **Background**

PERF and TRF must abide by Indiana's state statute regarding the confidentiality of member data. It is essential that the Vendor comply with all State of Indiana statutes, administrative rules, and PERF's and TRF's policies and procedures related to confidentiality.

### **Supporting Documentation**

The following documents should be considered when responding to the Requirements section below:

- Statute – IC 5-10.2-2-17;
- Authorization to Release Confidential Information;
- Confidentiality of Member Records Policy;
- Internal memo regarding Access to Public Records.

### **Requirements**

1. Describe your policies and procedures related to HIPAA (Health Insurance Portability and Accountability Act) guidelines.
2. Describe your policies and procedures for transmitting and communicating confidential information.
3. Describe your policies and procedures for handling inquiries for information (e.g., media, other State agencies, beneficiaries, etc).
4. Do you utilize any off-site services?
  - a. If yes, describe your confidentiality policies and procedures related to the use of these services.
5. Do you utilize an off-shore service?
  - a. If yes, describe these services.
  - b. If yes, describe your confidentiality policies and procedures related to the use of these services.
6. List any third parties that will have access to employer and/or member information, for example an auditor, IT, or third-party groups.

## **Ethical Obligation**

### **Background**

PERF and TRF must abide by Indiana's state ethics statutes and administrative rules. It is essential that the Vendor comply with all State of Indiana statutes, administrative rules, and PERF's and TRF's policies and procedures related to ethical practices.

### **Supporting Documentation**

The following documents (see Attachment E) should be considered when responding to the Requirements section below:

- Indiana State Ethics Commission publication links
- Ethics Policy

### **Requirements**

1. Describe your policies and procedures for communicating breaches of confidentiality to PERF and/or TRF.
2. Describe your policies and procedures for communicating suspected fraudulent activities to PERF and/or TRF.
3. Describe your policies and procedures regarding prosecution of information theft and other fraudulent activities.
4. Describe your policies and procedures for maintaining a drug-free workplace.
5. Describe your policies and procedures for maintaining an equal opportunity workplace.
6. Describe your policies and procedures associated with providing member investment advice.

## **Audit Requirements**

### **Background**

PERF and TRF must have access to the data and supporting documentation that is required to facilitate reconciliation and audit processes. This includes facilitating the audit performed by the Indiana State Board of Accounts.

### **Requirements**

1. When did your organization undergo its most recent SAS 70 audit?
2. Provide the Type II report from that SAS 70 audit.
3. When is your organization scheduled to undergo its next SAS 70 audit?
4. Describe your approach for providing the following data reports for a given period.
  - a. Disbursements from ASA, sorted by member
  - b. Receipts into ASA, sorted by member
  - c. All disbursements from ASA
  - d. All receipts posted to ASA
  - e. All ASA detail activity for a given sample set of members in a given period
5. Describe the online data access that PERF will have for audit and reconciliation purposes.
6. Provide your policy on how disbursements will be authorized.
7. Provide your policy on how adjustments will be authorized.
8. Provide your policy on how changes to member accounts are tracked.
9. Provide your policy on quality assurance, such as correct data being entered, correct disbursements being processed, etc.
10. Provide your plan for reconciling cash and account balances with the investment custodian and PERF.
11. Describe how your company handles audit documentation, where paperless processing has occurred.

## **Data Clean-up**

### **Background**

For various reasons, such as system error or user error, there are a number of identified issues with the PERF and TRF data that must be corrected. The issues include, but are not limited to, the following:

1. Various employer wage and contributions adjustments that have been received that have not/cannot be posted to the member's account. This includes posting after the member's retirement has been processed.
2. Temporary or invalid accounts for members which will be required to be corrected. Some of these accounts were established due to bad data or past conversion issues.
3. Conflicting member information, such as incorrect addresses, invalid or duplicate Social Security numbers, etc.
4. Accounts where the ASA was annuitized or refunded, but the ASA balance was not closed.
5. Accounts where the member has moved to and from PERF and TRF. These balances must be transferred between the funds.
6. Invalid accounts were created to post contributions that should have been posted to the original member account.
7. Member beneficiary information will be audited and updated as needed on all members.
8. Some accounts require a hold or freeze for various reasons, which locks the account from processing. Therefore, research will have to be conducted in order to further process the account.

### **Requirements**

1. Describe your approach for cleaning identified data issues.
2. Describe your plan for eliminating the occurrence of future data issues.
3. Describe any mechanisms that will be used to filter out invalid records.
4. Describe your plan for researching/correcting records that are filtered out.
5. Describe how your company ensures that all member accounts have a beneficiary on file.

## **Recordkeeping Standards**

### **Background**

PERF and TRF have a standard policy on records retention. Most records must be kept for the life of the member.

### **Supporting Documentation**

The following documents (see Attachment E) should be considered when responding to the Requirements section below:

- Policy on Records Retention

### **Requirements**

1. Describe your current method of storing documents.
  - a. If digital media is used, describe how you ensure documents have not been tampered with.
  - b. Describe how existing clients access those documents.
2. Provide a copy of your records retention policy.
3. Provide a copy of your records destruction policy.
4. Fully describe your company's recordkeeping abilities and methodology.
5. Describe the documentation that you maintain in a participant's account record.
6. Describe all controls taken to ensure: (i) the timeliness of recordkeeping; (ii) that each participant's account complies with all provisions of the plan and government regulations, and (iii) that, to the degree required, all forms and authorizations are complete and on file.
7. Please describe your document imaging process and the time it takes from the date of receipt to the date of image availability in your records management system.



## Systems Support

### Background

PERF and TRF have implemented extensive functionality for most members, retirees and employers. The following outlines the current system functionality that is offered to each of the funds:

#### Active/Inactive Members:

<u>Functionality</u>	<u>PERF</u>	<u>LE Fund</u>	<u>77 Fund</u>	<u>TRF</u>
Demographic Updates (i.e. address changes, phone # changes, email address changes)	X		X	X
Beneficiary Updates	X		X	X
Investment Elections	X	X	X	X
Quarterly Member Statements	X	X	X	X
Online Retirement Application	X			
Benefit Estimates Calculator	X		X	X
Service Purchase Estimate Calculator	X			
Annual Statements	As of 06/08		X	

#### Retirees:

<u>Functionality</u>	<u>PERF</u>	<u>77 Fund</u>	<u>TRF</u>
Demographic Updates	X	X	X
Direct Deposit Elections	X	X	X
1099 Re-prints	X	X	X
Beneficiary Demographic Changes Only	X	X	X
Tax Withholdings			X

#### Employers:

<u>Functionality</u>	<u>PERF</u>	<u>77 Fund</u>	<u>TRF</u>
Demographic Updates	X	X	
Benefit Estimates Calculator	X	X	
Service Purchase Estimate Calculator	X		
Online Retirement Application	X		
Membership Records	X		X
Bulk Membership Records	X		
Wages & Contributions	X		X

<b><u>Functionality</u></b>	<b><u>PERF</u></b>	<b><u>77 Fund</u></b>	<b><u>TRF</u></b>
Employer Certifications	X	X	
Last Day in Pay Status Certifications	X	X	
Final Wage Report Certifications	X	X	
View Service Credit	X		
Employer Demographic Maintenance			X
Online Retirement Application (Part 2)			X

It is the expectation of PERF and TRF that some or all functionality may be replaced by current vendor functionality. At a minimum, it is expected that the vendor, PERF and TRF will integrate the websites. All integrations will need to be relatively seamless to the member, with an appearance that they are logging into the PERF or TRF websites.

In addition to website functionalities, PERF and TRF currently each have separate processing systems. These systems are used for many day to day functions, including benefit processing and distribution processing. While some of these functions will not continue to exist, proper support of the vendor's system will be expected and required.

### **System Support Requirements**

1. Indicate whether your recordkeeping system is owned by your company or subcontracted from another organization.
2. If your company owns the system, was it originally purchased from an outside vendor? If so, from whom?
3. Does your company have a maintenance agreement with the vendor for ongoing support?
4. Is your company allowed to modify the system?
5. If the system was not purchased, when was it first put into place and last updated?
6. What plan do you have for significant changes?
7. Describe any pending changes and proposed implementation dates.
8. If the system is subcontracted, provide details of the arrangement and the name and qualifications of the organization.
9. How much did you invest in system upgrades in your last fiscal year?
10. How much did you budget for system upgrades?
11. Do you foresee any specific problems incorporating this plan into your recordkeeping system? If so, describe them in detail.
12. Does your company have a separate systems support group for your recordkeeping system?
13. What is the size of the internal systems staff that supports your company's system?
14. What has been your average downtime YTD for your system online services and automated phone system?

15. What security features are in place to ensure that only the correct participant is given personal information?
16. Describe your Personal Identification Number (PIN) generation and administration capabilities.
17. When is routine maintenance performed?
18. Provide statistics for the last twelve months on downtime other than routine system maintenance.
19. What reporting is provided on Internet usage? Please provide samples.
20. Does your Internet system support online enrollment?
21. How many employees support your online systems? How many are programmers?
22. Provide the address and necessary access codes or passwords so that PERF and TRF may test your Internet transaction capabilities. Indicate how long this access will be available.
23. How do you measure participant satisfaction with your services? Indicate how you would report results to PERF and TRF.
24. Describe your capabilities for providing 24/7 access to member account information (balance, investment options, beneficiaries, etc.) via online services and VRU system.
25. Describe your approach for providing communication to members for any changes to online services, including, but not limited to, login procedure changes and new features.
26. Describe the web features and functions you can offer for tracking member transactions.
27. Provide an example of your web page design.
28. Please indicate how your site and the fund's sites will be integrated. Specifically, describe which systems functionality will be used for the above-mentioned functionality.
29. What additional functionality can PERF and TRF expect by integrating with the recordkeeper.

## **Reporting and Compliance**

### **Background**

In this section, we are looking for information on the reports and tools that would be available to PERF and TRF and the more than 1,500 employers participating in the plan. While PERF and TRF are certainly interested in any standard reports available, please highlight the online inquiry and customized reporting capabilities available to PERF, TRF and the system's employers.

### **Requirements**

1. Provide login and password information for your plan sponsor demonstration site.
2. Describe the plan reporting tools that would be available. Provide login information for your plan sponsor demonstration site. Also, provide hard copies of the screens most often used by plan sponsors.
3. To what extent can reports be customized?
4. What support do you provide in developing customized reports?
  - a. How do you charge for this service? Please include in your fee proposal.
5. What standard reports are provided electronically? By hard copy?
6. Describe your ability for providing PERF and TRF with a monthly report of member account activity.
7. Is there any additional charge for hard copy reports? Please include in your fee proposal.
8. Would you recommend making plan sponsor tools available only to PERF staff, or to each employer?
9. Describe your electronic file exchange capabilities.
10. Describe what federal and state tax reporting will be provided.
11. Describe what reports will be available to employers.
12. Indicate what legal and advisory services you will provide PERF and TRF in administering its plan in conformance with the appropriate laws and regulations.
13. Indicate how you will review and inform PERF and TRF of changes in the law and current legislation potentially impacting the plan.
14. How many attorneys and how many paralegals are on staff?
  - a. Describe their qualifications.
  - b. How does your company charge for these services? Please include in your fee proposal.

15. During state of Indiana legislative sessions, there are frequently requests for the financial and administrative impacts of proposed plan modifications that are being considered by the Legislature. Describe your experience in working with public sector clients in addressing legislative requests for information during session and your ability to meet the immediate timeframes that usually accompany these requests.
16. Can your system monitor 415(c) limits? Describe.
17. Can your system monitor the Code Section 401(a)(17) limit? Describe.
18. Are you willing to sign a provider agreement specifying compliance activities to be performed by the recordkeeper?

## **Systems Integration and Conversion**

### **Background**

Integration will be essential in ensuring that data and information are passed accurately between PERF's system (BMS) and TRF's system (SIRIS) and the Vendor's system. In general, the entity that collects the data and initially enters it into its system will determine the direction in which the data flows. However, based upon final decisions and structure, data may be transferred to the vendor to manage. Once the vendor "owns" the data, it will be responsible for ensuring the integrity of the data.

In addition to the BMS and SIRIS systems, the LE Fund is currently with a vendor. While the current vendor may keep the business, it is anticipated that another vendor may win that business. Transition and conversion of that data from the current vendor will need to be taken into consideration when answering the following questions. Ensure that your responses to the following clearly specify the differences in conversion from another vendor and from the funds.

### **Requirements**

1. Describe an integration strategy with new customers.
2. What tools/technologies would you use?
3. Describe your approach for integrating with PERF and TRF's system(s) and the defined integration points.
4. Describe your capabilities to perform systems integration in real-time.
5. What hardware/systems/formats are presently in place for electronic receipt and upload of information from clients?
6. Describe how you propose data would be transmitted to and from PERF and TRF, giving a proposed data transmission plan identifying various types of information expected to be transmitted.
7. Describe how each type of data will be transmitted and what timeframes would be necessary.
8. Provide examples of other systems where you have done this.
9. Describe your data conversion process.
10. PERF and TRF anticipate a 12-month implementation. With a go-live of disbursements on 1/1/2009. Please supply a detailed sample project plan outlining a proposed implementation ending 06/30/2009.
  - a. Assuming PERF selects another recordkeeper to administer the LE Fund (DC), describe your process for converting from a current recordkeeper.

- b. Ensure that the project plan takes into account the conversion from one vendor to another.
11. How many employees do you have that work exclusively on conversions?
  12. What is the anticipated down time that can be expected due to data conversion?
  13. Describe how your conversion team will coordinate with PERF and TRF.
  14. Provide a list or description of the information that you will need from PERF and TRF for an effective conversion.
  15. Describe your transition-in plan (the transfer of records management responsibilities to your control).
  16. What is the length of time that you estimate for transition?
  17. Provide an estimate of man-hours that you will expect from PERF and TRF for transition.
  18. Provide a sample project plan for transition.
  19. Provide an estimate of man-hours expected for the conversions.
  20. Provide any established test plans used to test data conversion.
  21. Describe your quality assurance process for ensuring that the conversion was successful.
  22. Describe your filtering mechanisms to prevent the conversion of “bad” or invalid records.
  23. Social Security numbers are not to be used as the unique identifier for member records. Describe your plan for assigning a new unique identifier to member records as they are converted.
  24. List the expected members of the conversion team you will assign to the plan and provide an outline of their roles and responsibilities, their qualifications, experience, number of years with your company, and primary work location.
  25. At the end of the conversion, describe how the conversion team will transition to the ongoing service team.
  26. Please complete the following chart showing the number of conversions that you have completed in 2005, 2006 and 2007 YTD.

	<b>Number of Plans Converted:</b>		
	<b>2005</b>	<b>2006</b>	<b>2007</b>
All Defined Contribution Plans			
All Defined Contribution Plans with 100,000 or more active participants			
All Governmental Defined Contribution Plans			
All Governmental Defined Contribution Plans with 100,000 or more active participants			
All Governmental 401(a) Plans			
All Governmental 401(a) plans with 100,000 or more active participants			
Other			

- a. For each year, what was the average number of active participants and employers for the plans converted?
27. How many conversions are scheduled to be completed in 2008? Please list volume by month.
28. What was the average length of time (in calendar days) from the date of receipt of data from prior administrator to the date the participants and plan sponsors had access to their accounts?

<b>Conversion</b>	<b>Average Time (in calendar days)</b>
<b>2005</b>	
<b>2006</b>	
<b>2007</b>	



## **Security and Disaster Recovery**

### **Background**

Security is obviously of critical importance to both PERF and TRF. Explain all data center security, web access security, and disaster recovery processes and procedures in detail. Please be aware that Indiana statute does not allow Social Security numbers to be used as keys to locate member records. Currently, TRF uses a unique identifier, called TRF number, as their identifier in their system.

### **Requirements**

1. Describe your data center security procedures.
2. Describe your web access security procedures.
3. Describe whether your system will allow for TRF's unique identifier as the member's ID.
  - a. If not, please explain why.
4. Describe the procedures and safeguards you use to protect the confidentiality of participant and beneficiary information.
5. What field(s) do you typically use as keys to locate participant records?
6. Explain your encryption process.
7. Describe your company's system back-up procedures.
  - a. Are files archived and stored at an off-site location? If so, where?
  - b. Is your backup system on a different power grid?
8. Describe your company's disaster recovery plan.
  - a. Have procedures been tested?
  - b. When did you last perform a full-scale disaster recovery test?
  - c. Please provide a copy of your disaster recovery plan.
9. In case of a disaster, what is the maximum projected downtime?

## **Location Requirements**

### **Background**

One of Governor Daniels' first priorities was introduction of the Buy Indiana initiative. In Executive Order 05-05, he established a goal for state agencies to procure ninety cents of each dollar from Indiana businesses. In addition, he established the criteria for defining an Indiana business. The order established five (5) guidelines under which a company may qualify as an Indiana business. The order also instructed the Indiana Department of Administration (IDOA) to develop policies and procedures around the Buy Indiana preference. The following information is the policy developed by the Indiana Department of Administration (IDOA), the Office of Management and Budget (OMB), and the Indiana Economic Development Corporation (IEDC).

#### **Defining an Indiana Business:**

The Executive Order designates an entity as being an Indiana business if it meets any one of the five conditions as set out in [I.C. 5-22-15-20.5](#).

- (1) A business whose principal place of business is located in Indiana.
- (2) A business that pays a majority of its payroll (in dollar volume) to residents of Indiana.
- (3) A business that employs Indiana residents as a majority of its employees.
- (4) A business that makes significant capital investments in Indiana as defined below.
- (5) A business that has a substantial positive economic impact on Indiana as defined below.

#### **Substantial Capital Investment:**

Any company that can demonstrate a minimum capital investment of \$5 million or more in plant and/or equipment or annual lease payments of \$2.5 million or more shall qualify as an Indiana business under category #4. If an out of state company does not meet one of these criteria, it may submit documentation/justification to the State for additional review and consideration for inclusion under this category.

#### **Substantial Indiana Economic Impact:**

Any company that is in the top 500 companies for one of the following categories: number of employees (DWD), unemployment taxes (DWD), payroll withholding taxes (DOR), or corporate income taxes (DOR); shall qualify as an Indiana business under category #5. If an out of state company does not meet one of these criteria, it may submit documentation/justification to the State for additional review and consideration for inclusion under this category. If you need assistance in determining if your business qualifies under this

criterion, please send an email inquiry to [buyindianainvest@idoa.in.gov](mailto:buyindianainvest@idoa.in.gov) and you will receive a response within forty-eight (48) hours.

### **The Buy Indiana Preference**

Depending on the size of the State's purchase, the Buy Indiana preference is applied as follows:

- 1% on purchase of \$1 million and up,
- 3% on 500K to \$1M purchases, and
- 5% on purchases valued at less than 500K.

While it is not expected that any customer will completely relocate their corporate headquarters to Indiana, as previously stated in the Evaluation Criteria, special consideration will be given to a company meeting the Buy Indiana initiative. However, special consideration will also be given to a company that is able to locate any portion of their business to Indiana.

In addition to meeting the Buy Indiana initiative, customer service is critically important to PERF and TRF, their employers, and members. PERF and TRF expect to improve customer service as a result of utilizing a recordkeeper. Most of PERF and TRF's employees are located in the downtown Indianapolis, Indiana office. It is expected that the Vendor will have personnel located, or be willing to locate, in Indianapolis, preferably downtown.

### **Requirements**

1. Describe your approach to helping meet the Buy Indiana initiative put forth by Governor Mitch Daniels.
2. Do you currently have personnel located in downtown Indianapolis?
  - a. If not, what is your plan for locating staff in downtown Indianapolis?
  - b. If yes, what is the number of staff located downtown?
  - c. If yes, what positions are located downtown?
3. Describe your approach to interacting with PERF.
4. Describe your approach to interacting with TRF.

## **ATTACHMENT B - VENDOR QUALIFICATIONS**

### **B.1 Minimum Qualifications**

In order to be considered for contract award, the Respondent must satisfy all enumerated minimum vendor qualifications outlined in the Executive Summary, which begins on page 4 of this RFP. Ensure that the Respondent has included detailed responses as to how those qualifications are being or will be met.

### **B.2 Company Information**

**For proposals involving a subcontractor relationship, requested information should be provided for all companies that will be a party to the proposed services.**

1. Give the name and address of your company. Provide the name, title, address and telephone and fax numbers of the contact person from your company whom we may contact with questions regarding your response.
2. Give a brief history of your company.
3. Provide copies of audited Income Statement and Balance Sheet for last two fiscal years.
4. Is your company a subsidiary or affiliate of another company? Give full disclosure of all direct or indirect ownership. Describe any pending agreements to merge or sell your company.
5. Describe your errors and omissions coverage. Describe the various types of insurance coverage and indemnification provided to protect clients, including:
  - a. Risks covered
  - b. Carriers
  - c. Levels
  - d. Limits
  - e. Deductibles

### **B.3 Experience**

1. For how many clients does your company currently provide the requested services?
  - a. As of March 31, 2008, provide the following information:
    - i. For plans with less than 25,000 participants, the information should be provided in aggregate.
    - ii. For plans with 25,000 or more participants, please provide the information for each plan.

<b>Plan Size</b>	<b>Number of Plans / Name of Plan</b>	<b>Average Number of Years Company has Provided Service</b>	<b>Average Number of Investment Options</b>
<b>All Defined Contribution Plans (401(a) defined contribution, 457, 403(b) and 401(k) plans)</b>			
Under 1,000 participants			
1,000 to 10,000 participants			
10,000 to 25,000 participants			
25,000 to 50,000 participants			
50,000 to 75,000 participants			
75,000 to 100,000 participants			
Above 100,000 participants			
<b>Total</b>			
<b>All Governmental Defined Contribution Plans</b>			
Under 1,000 participants			
1,000 to 10,000 participants			
10,000 to 25,000 participants			
25,000 to 50,000 participants			
50,000 to 75,000 participants			
75,000 to 100,000 participants			
Above 100,000 participants			
<b>Total</b>			
<b>Governmental 401(a) Plans</b>			
Under 1,000 participants			
1,000 to 10,000 participants			
10,000 to 25,000 participants			
25,000 to 50,000 participants			
50,000 to 75,000 participants			
75,000 to 100,000 participants			
Above 100,000 participants			
<b>Total</b>			

2. Provide three client references most like PERF and TRF separately. Fully describe the circumstances of your engagement and include the following:

**Client Reference #1    Client Reference #2    Client Reference #3**

Company name  
 Contact name and title  
 Telephone and fax numbers  
 Number of participants  
 Amount of plan assets  
 Length of relationship  
 Whether the relationship  
 involves providing  
 recordkeeping for independent,  
 unallocated investments

3. Provide a statement of your company's strategic commitment to the public sector defined contribution line of business and any documentation or evidence to support this commitment.
4. Explain briefly the organization of your company with emphasis on the division and personnel providing defined contribution services within that organizational structure.
5. Provide an organizational chart.
6. Provide referral contacts for your last two plan conversions.

#### **B.4 Contractual Issues**

1. Has your company been involved in litigation in the last five years or is there any pending litigation arising out of your performance or participation in a defined contribution plan? Exclude routine interpleader actions, garnishments and similar routine matters involving participants and beneficiaries that do not reflect on the performance of the contract.
  - a. If so, please describe.
2. Has your company been cited or threatened with citation within the last five years by federal or any state regulators for violations of any state or federal law and impending regulations?
  - a. If your answer is yes, please describe fully.
3. Has your company had a contract terminated by a client for cause within the last five years?
  - a. If so, by whom and under what circumstances? Provide the name and telephone number of each client that has terminated your company's services.
4. Has your company had a contract non-renewed by a client within the last five years? If so, by whom?
  - a. Provide the name and telephone number of each client that opted not to renew your company's services.

5. Is your company licensed to conduct business in the State of Indiana?
  - a. If not, please attach an opinion of counsel giving his or her opinion as to whether he or she anticipates any difficulties in obtaining all necessary licenses prior to the effective date of the contract.
6. Does delivery of all your services comply with all federal and State of Indiana regulations?
  - a. If not, specify.

## ATTACHMENT C - FEE PROPOSAL

1. Provide a fee quote for all PERF Funds together based upon the requirements and information in this RFP. Be sure to note any assumptions made. Fee quote must be structured in a manner that the total expected annual cost is easily visible. Assume that all monies remain with the current money manager. Ensure that a breakout of costs is provided for the various functions. **FAILURE TO SUBMIT A DETAILED FEE PROPOSAL MAY ELIMINATE YOUR ORGANIZATION FROM CONSIDERATION.**
  - a. If some or all monies are managed by the recordkeeper, describe how this impacts your fee proposal.
2. Provide a fee quote for TRF based upon the requirements and information in this RFP. Be sure to note any assumptions made. Fee quote must be structured in a manner that the total expected annual cost is easily visible. Assume that all monies remain with the current money manager. Ensure that a breakout of costs is provided for the various functions. **FAILURE TO SUBMIT A DETAILED FEE PROPOSAL MAY ELIMINATE YOUR ORGANIZATION FROM CONSIDERATION.**
  - a. If some or all monies are managed by the recordkeeper, describe how this impacts your fee proposal.
3. Provide a detailed list of items involved in your fee quote.

<b>START-UP</b>	<b>Check all that apply</b>
Implementation charges	
Data conversion and testing	
Data clean-up	
Report customization	
Toll-free number set-up	
Voice response set-up	
Benefit service representative set-up	
Language line services (or comparable service) set-up	
Loan conversions from prior Vendors	
Internet set-up	
System user training	
Plan documentation manual	
<b>RECORDKEEPING (ANNUAL FEES)</b>	
Account maintenance	
Per participant	
<b>COMPLIANCE</b>	
402(g) monitoring / testing	
415(c) monitoring / testing	
<b>TRANSACTIONS</b>	
Toll-free number VRU	



Toll-free number benefit service center	
Internet access	
Phone company charges	
Language line or comparable services	
Systems support	
Eligibility determination	
Enrollment process	
Participant statements	
Confirmation statements	
Contribution processing	
Refund processing	
PIN letters and VRU brochures	
Fund transfers	
Participant investment election changes	
Loan initiation	
Loan maintenance (converted loans)	
Loan maintenance (ongoing loans)	
Transfer to other state plans	
Lump sum distributions	
Installments (per payment)	
Minimum required distributions (Notification to PERF that payments must begin)	
Reporting	
Reconciliation	
Investment Management Fees	
<b>CLIENT SPECIFIC ITEMS</b>	
Contract Termination	

4. It is the assumption that the above list is the complete list of fee items. If there are additional fee items included in your proposal, please detail them.
5. If your fee proposal includes Investment Management Fees, please provide a detailed description of each of those fees. Please ensure that you provide the cost per fee.
6. If your fee proposal does not include any of the items above, please provide an additional fee quote for those items.
7. Is this fee schedule guaranteed for some number of years? How many?
8. How may expenses be adjusted if enrollment changes?
9. If your fee includes one-time costs, please break out those fees separately.

## **ATTACHMENT D - SUPPORTING DOCUMENTATION**

### **D.1 Statutes**

The following list includes, but is not limited to, the statutes from the Indiana Code and Indiana Administrative Code with which PERF and TRF must comply. Any Respondent will be expected to comply with the existing and future statutes. The following are the primary statutes and administrative code provisions related to each fund:

- **PERF:** IC 5-10.2; IC 5-10.3; 35 IAC 1.2
- **LE Fund:** IC 2-3.5; IC 5-10.2; 35 IAC 1.2-6-7
- **PA Fund:** IC 33-39
- **77 Fund:** IC 36-8-8; 35 IAC 2
- **C&E Fund:** IC 5-10-5.5; 35 IAC 4
- **JU Fund:** IC 33-38
- **TRF:** IC 5-10.2; IC 5-10.4; IAC 550

Please note that additional provisions throughout the Indiana Code and Indiana Administrative Code apply to the various funds, and will be applicable to the administration of the funds.

## **ATTACHMENT E - SAMPLE CONTRACT FOR SERVICES**

The following sample contract is the base contract that will be used if an award is made. If respondent wishes to amend any term of the contract, it must be submitted as an amendment to the contract. For each proposed revision, the respondent should indicate that the change is required by the respondent in any contract resulting from this RFP and why it is required (if the required change is unacceptable to PERF, the respondent's proposal will be considered unacceptable) or indicate that the change is desired (but not required) by the respondent in any contract resulting from this RFP. Desired changes are unlikely to be added unless PERF determines in its sole discretion that the performance of services under the contract is dependent upon such changes.

While it is the anticipation of PERF and TRF that separate contracts will be awarded, the proposals made will address the needs of both funds. It is the expectation of the Funds that the vendor will review the sample contract and provide desired changes for both PERF and TRF.



&



**CONTRACT #: (CONTRACT NUMBER)  
(VENDOR NAME)  
FOR  
(SERVICES)**

## CONTRACT FOR SERVICES

This contract is between the Indiana Public Employees' Retirement Fund (hereinafter referred to as "PERF" or "Fund") and \_\_\_\_\_ (hereinafter referred to as "Contractor").

WHEREAS, the Fund desires to contract for services in the area of \_\_\_\_\_; and

WHEREAS, Contractor is willing to provide such services;

NOW, THEREFORE, the above-named parties enter into this contract upon the following terms and conditions:

1. Duties of Contractor

The Contractor shall provide the following services relative to this contract: See Attachment A, Scope of Services, incorporated by reference.

2. Consideration

The Contractor will be paid at the rate of: See Attachment B, Fees, incorporated by reference.

3. Term

The contract shall commence upon date of execution by the Fund for a period of one (1) year. This contract may be renewed under the same terms and conditions by mutual agreement of the parties for up to \_\_\_\_\_ ( ) one-year terms.

4. Access to Records

The Contractor and its subcontractors shall maintain all books, documents, papers, accounting records, and other evidence pertaining to the cost incurred, and shall make such materials available at their respective offices at all reasonable times during the contract period and for seven (7) years from the date of final payment under this contract for inspection by the Fund or by any other authorized representative of the Fund, and copies thereof shall be furnished at no cost to the Fund if requested.

Upon execution of this contract, Fund will provide Contractor with a list of Authorized Persons who will be permitted to advise, inform, and direct Contractor on Fund's behalf, together with signature specimens of certain Authorized Persons who may execute specific tasks under this contract. The list of Authorized Persons and any changes to such list shall be made in writing to Contractor and signed by the Fund's Director or the Director's designee. Until notified of any such change, Contractor may rely on and act upon instructions and notices received from an Authorized Person identified on the then-current list furnished by the Fund.

All Authorized Instructions shall be in writing and transmitted by first class mail, private express courier, facsimile, or other authenticated electronic transmissions; *provided, however*, that Contractor may, in its discretion, accept verbal Authorized Instructions subject to written confirmation of same from such Authorized Person. Such Authorized Instructions shall bind Contractor upon receipt. If Contractor receives instructions or notices from a source other than an Authorized Person, Contractor shall not comply with them

and shall immediately notify the Fund's Executive Director in writing of such unauthorized instructions or notices.

5. Independent Contractor

Both parties hereto, in the performance of this contract, will be acting in an individual capacity and not as agents, employees, partners, joint venturers, or associates of one another. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purposes whatsoever. Neither party will assume any liability for any injury (including death) to any persons, or any damage to any property arising out of the acts or omissions of the agents, employees or subcontractors of the other party. The Contractor shall be responsible for providing all necessary unemployment and worker's compensation insurance for the Contractor's employees.

6. Assignment

The Contractor shall not assign or subcontract the whole or any part of this contract without the Fund's prior written consent, except that the Contractor may assign its right to receive payments to such third parties as the Contractor may desire without the prior written consent of the Fund, provided that Contractor gives written notice (including evidence of such assignment) to the Fund thirty (30) days in advance of any payment so assigned. Assignment shall cover all unpaid amounts under this contract and shall not be made to more than one party.

7. Successors and Assignees

The Contractor binds his successors, executors, administrators, and assignees to all covenants of this contract. Except as above set forth, the Contractor shall not assign, sublet, or transfer interest in this contract without the prior written consent of the Fund.

8. Audit and Audit Settlement

The Contractor acknowledges that it may be required to submit to an audit of funds paid through this contract. Any such audit shall be conducted in accordance with IC 5-11-1, et. seq. and audit guidelines specified by the Fund. If an error is discovered as a result of an audit performed by Contractor or Fund, or if Contractor becomes aware of any error through any other means, Contractor shall use its best efforts to promptly correct such error or to cause the appropriate party to correct such error.

9. Changes in Work

In the event the Fund requires a major change in scope, character, or complexity of the work after the work has progressed, adjustments in compensation to the Contractor shall be determined by the Fund in the exercise of its honest and reasonable judgment, and the Contractor shall not commence any additional work or change the scope of work until authorized in writing by the Fund. No claim for additional compensation shall be made in the absence of a prior written approval executed by all signatories hereto.

10. Confidentiality of Fund Information

The Contractor understands and agrees that data, materials, and information disclosed to Contractor contain confidential and protected data; therefore, the Contractor promises and assures that data, material, and

information gathered, based upon, or disclosed to the Contractor for the purpose of this contract, will be treated as confidential and will not be disclosed to others or discussed with other parties without the prior written consent of the Fund.

#### 11. Confidentiality of Data, Property Rights in Products, and Copyright Prohibition

The Contractor agrees that all information, data, findings, recommendations, proposals, etc., by whatever name described and by whatever form therein, secured, developed, written, or produced by the Contractor in furtherance of this contract shall be the property of the Fund, and the Contractor shall take such action as is necessary under law to preserve such property rights in and of the Fund while such property is within the control and/or custody of the Contractor. By this contract, the Contractor specifically waives and/or releases to the Fund any cognizable property right of the Contractor to copyright, license, patent, or otherwise use such information, data, findings, recommendations, proposals, etc.

The parties acknowledge that the services to be performed by Contractor for PERF under this contract may require or allow access to data, materials, and information containing Social Security numbers or other personal information maintained by PERF in its computer system or other records. In addition to the covenant made above in this section and pursuant to 10 IAC 5-3-1(4), Contractor and PERF agree to comply with the provisions of IC 4-1-10 and IC 4-1-11. If any Social Security number(s) or personal information (as defined in IC 4-1-11-3) is/are disclosed by Contractor, Contractor agrees to pay the cost of the notice of disclosure of a breach of the security of the system in addition to any other claim and expenses for which it is liable under the terms of this contract.

#### 12. Ownership of Documents and Materials

All documents, records, programs, data, film, tape, articles, memos, and other materials developed under this contract shall be considered "work for hire," and the Contractor transfers any ownership claim to the Fund and all such matters will be the property of the Fund. Use of these materials, other than related to contract performance by the Contractor, without the prior written consent of the Fund, is prohibited.

During the performance of the services specified herein, the Contractor shall be responsible for any loss or damage to these materials developed for or supplied by the Fund and used to develop or assist in the services provided herein while he or she are in the possession of the Contractor, and any loss or damage thereto shall be restored at the Contractor's expense. Full, immediate, and unrestricted access to the work product of the Contractor during the term of this contract shall be available to the Fund.

#### 13. Debarment and Suspension

The Contractor certifies by entering into this contract that neither it nor its principals nor any of its subcontractors are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from entering into this contract by any federal agency or by any department, agency or political subdivision of the State. The term "principal" for purposes of this contract means an officer, director, owner, partner, key employee or other person with primary management or supervisory responsibilities, or a person who has a critical influence on or substantive control over the operations of the Contractor.

The Contractor certifies that it has verified the state and federal suspension and debarment status for all subcontractors receiving funds under this contract and shall be solely responsible for any recoupment, penalties or costs that might arise from use of a suspended or debarred subcontractor. The Contractor shall immediately notify the Fund if any subcontractor becomes debarred or suspended, and shall, at the Fund's request, take all steps required by the Fund to terminate its contractual relationship with the subcontractor for work to be performed under this contract.

#### 14. Disputes

Should any disputes arise with respect to this contract, the Contractor and the Fund agree to act immediately to resolve any such disputes. Time is of the essence in the resolution of disputes.

The Contractor agrees that, the existence of a dispute notwithstanding, it will continue without delay to carry out all its responsibilities under this contract which are not affected by the dispute. Should the Contractor fail to continue without delay to perform its responsibilities under this contract in the accomplishment of all non-disputed work, any additional costs incurred by the Contractor or the Fund as a result of such failure to proceed shall be borne by the Contractor, and the Contractor shall make no claim against the Fund or the State of Indiana for such costs.

The Fund may withhold payments on disputed items pending resolution of the dispute. The unintentional nonpayment by the Fund to the Contractor of one or more invoices not in dispute in accordance with the terms of this contract will not be cause for Contractor to terminate this contract, and the Contractor may bring suit to collect without following the dispute procedure contained herein. This section shall not be construed to limit the right of either party to terminate the contract pursuant to the terms of the "Termination" section of the contract.

#### 15. Maintaining a Drug-Free Workplace

a. Contractor hereby covenants and agrees to make a good faith effort to provide and maintain during the term of this contract a drug-free workplace, and that it will give written notice to the Fund within ten (10) days after receiving actual notice that an employee of Contractor performing services in the State of Indiana has been convicted of a criminal drug violation occurring in the workplace.

b. In addition to the provisions of the above paragraphs, if the total contract amount set forth in this contract is in excess of \$25,000, Contractor hereby further agrees that this contract is expressly subject to the terms, conditions, and representations contained in the Drug-Free Workplace Certification executed by Contractor in conjunction with this contract.

c. It is further expressly agreed that the failure of Contractor to in good faith comply with the terms of subparagraph a. above, or falsifying or otherwise violating the terms of the certification referenced in subparagraph b. above, shall constitute a material breach of this contract, and shall entitle the Fund to impose sanctions against the Contractor including, but not limited to, suspension of contract payments, termination of this contract and/or debarment of the Contractor from doing further business with the Fund for up to three (3) years.



16. Drug-Free Workplace Certification

This certification is required by Executive Order No. 90-5, April 12, 1990, issued by the Governor of Indiana. Pursuant to its delegated authority, the Fund is requiring the inclusion of this certification in all contracts with and grants from the PERF in excess of \$25,000. No award of a contract shall be made, and no contract, purchase order or agreement, the total amount of which exceeds \$25,000, shall be valid unless and until this certification has been fully executed by the Contractor and made a part of the contract or agreement as part of the contract documents. False certification or violation of the certification may result in sanctions including, but not limited to, suspension of contract payments, termination of the contract or agreement and/or debarment of contracting opportunities with the Fund for up to three (3) years.

The Contractor certifies and agrees that it will provide a drug-free workplace by:

- a. Publishing and providing to all of its employees a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the Contractor's workplace, and specifying the actions that will be taken against employees for violations of such prohibition;
- b. Establishing a drug-free awareness program to inform its employees of (1) the dangers of drug abuse in the workplace; (2) the Contractor's policy of maintaining a drug-free workplace; (3) any available drug counseling, rehabilitation and employee assistance programs; and (4) the penalties that may be imposed upon an employee for drug abuse violations occurring in the workplace;
- c. Notifying all employees in the statement required by subparagraph (a) above that as a condition of continued employment, the employee will (1) abide by the terms of the statement; and (2) notify the Contractor of any criminal drug statute conviction for a violation occurring in the workplace no later than five (5) days after such conviction;
- d. Notifying the Fund in writing within ten (10) days after receiving notice from an employee under subdivision (c)(2) above, or otherwise receiving actual notice of such conviction;
- e. Within thirty (30) days after receiving notice under subdivision (c)(2) above of a conviction, imposing the following sanctions or remedial measures on any employee who is convicted of drug abuse violations occurring in the workplace: (1) taking appropriate personnel action against the employee, up to and including termination; or (2) requiring such employee to satisfactorily participate in a drug abuse assistance or rehabilitation program approved for such purposes by a federal, state or local health, law enforcement, or other appropriate agency; and
- f. Making a good faith effort to maintain a drug-free workplace through the implementation of subparagraphs (a) through (e) above.

17. Force Majeure; Suspension and Termination

In the event that either party is unable to perform any of its obligations under this contract or to enjoy any of its benefits because of (or if failure to perform the services is caused by) natural disaster, actions or decrees of governmental bodies, or communication line failure not the fault of the affected party (hereinafter referred to as a "Force Majeure Event"), the party who has

been so affected shall immediately give notice to the other party and shall do everything possible to resume performance.

18. Governing Laws

This contract shall be construed in accordance with and governed by the laws of the State of Indiana and suit, if any, must be brought in the State of Indiana.

19. Compliance with Laws

The Contractor agrees to comply with all applicable federal, state, and local laws, rules, regulations or ordinances, and all provisions required thereby to be included herein are hereby incorporated by reference. The enactment of any state or federal statute or the promulgation of regulations thereunder after execution of this contract shall be reviewed by the Fund and the Contractor to determine whether any provisions of this contract require formal amendment.

20. Indemnification

Contractor agrees to indemnify, defend, and hold harmless the Fund and the State of Indiana, their agents, officers, and employees from all claims and suits including court costs, Attorneys' fees, and other expenses arising from or related to any act of bad faith, negligence, intentional or willful misconduct, breach of fiduciary duty, or any other negligent act or omission of Contractor and/or its agents, if any, in the performance of this contract. The Fund shall not provide such indemnification to Contractor.

21. Information Technology Enterprise Architecture Requirements

If the Contractor provides any information technology related products or services to the Fund, the Contractor shall comply with all IOT standards, policies and guidelines, which are online at <http://iot.in.gov/architecture/>. The Contractor specifically agrees that all hardware, software and services provided to or purchased by the Fund shall be compatible with the principles and goals contained in the electronic and information technology accessibility standards adopted under Section 508 of the Federal Rehabilitation Act of 1973 (29 U.S.C. 794d) and IC 4-13.1-3. Any deviation from these architecture requirements must be approved in writing by IOT and the Fund in advance. The Fund may terminate this contract for default if the Contractor fails to cure a breach of this provision within a reasonable time.

22. Insurance

Without limiting the indemnification obligations provided in this contract, for the duration of this contract, Contractor shall provide and maintain, at its own expense, the following insurance policies: (To Be Determined)

23. Key Person(s)

In the event that both parties have designated in an appendix that the individual(s) therein named are essential to the services offered pursuant to this contract, the parties agree that in the event that such individual or individuals are no longer employed during the term of this contract by the Contractor for whatever reason, the Fund shall have the right to terminate this contract, without penalty, upon thirty (30) days prior written notice.

In the event that the Contractor is an individual or a closely held corporation (as defined under Indiana law, *see, e.g., Barth v. Barth*, 659 N.E.2d 559, 561, fn.5, [and cited authority therein]), the individual or person on behalf of the corporation responsible for primary contact between the Contractor and the Fund at the commencement of this contract shall be considered a key person and, as such, essential to the contract. Substitution of another for the Contractor shall not be permitted without express written permission from the Fund.

Nothing in this Section should be construed to prevent the Contractor from using the services of others to perform tasks ancillary to those tasks which directly require the expertise of the key person. Examples of such ancillary tasks include secretarial, clerical, and common labor duties. The Contractor shall, at all times, remain responsible for the performance of all necessary tasks, whether performed by a key person or others.

#### 24. Licensing Standards

The Contractor and its employees and subcontractors shall comply with all applicable licensing standards, certification standards, accrediting standards and any other laws, rules or regulations governing services to be provided by the Contractor pursuant to this contract. The Fund shall not be required to pay the Contractor for any services performed when the Contractor, its employees or subcontractors are not in compliance with such applicable standards, laws, rules or regulations. If licensure, certification or accreditation expires or is revoked, or if disciplinary action is taken against the applicable licensure, certification or accreditation, the Contractor shall notify the Fund immediately and the Fund, at its option, may immediately terminate this contract.

#### 25. Merger & Modification

This contract constitutes the entire agreement between the parties. No understandings, agreements, or representations, oral or written, not specified within this contract will be valid provisions of this contract. This contract may not be modified, supplemented or amended, in any manner, except by written agreement signed by all necessary parties.

#### 26. Minority and Women's Business Enterprise Compliance

The Contractor agrees to comply fully with the provisions of the Contractor's MBE/WBE participation plans, if any, and agrees to comply with all Minority and Women's Business Enterprise statutory and administrative code requirements and obligations, including IC 4-13-16.5 and 25 IAC 5. The Contractor further agrees to cooperate fully with the Minority and Women's Business Enterprise division to facilitate the promotion, monitoring, and enforcement of the policies and goals of MBE/WBE program including any and all assessments, compliance reviews, and audits that may be required.

#### 27. Nondiscrimination

Pursuant to IC 22-9-1-10 and the Civil Rights Act of 1964, Contractor and its subcontractors, if any, shall not discriminate against any employee or applicant for employment, to be employed in the performance of this contract, with respect to the hire, tenure, terms, conditions or privileges of employment or any matter directly or indirectly related to employment, because of his race, color, religion, sex, disability, national origin or ancestry. Breach of this covenant may be regarded as a material breach of contract. Acceptance of this

contract also signifies compliance with applicable federal laws, regulations, and executive orders prohibiting discrimination in the provision of services based on race, color, national origin, age, sex, disability or status as a veteran.

28. Notice to Parties

Whenever any notice, statement, or other communication shall be sent to the Fund or Contractor, it shall be sent to the following address, unless otherwise specifically advised.

Notices to the Fund shall be sent to:

Terren B. Magid,  
Executive Director  
Public Employees' Retirement Fund  
500 Harrison Building  
143 West Market Street  
Indianapolis, IN 46204

Notices to the Contractor shall be sent to:

(Vendor Information)

29. Funding Cancellation

When the Board makes a written determination that funds are not appropriated or otherwise available to support continuation of performance of this contract, this contract shall be canceled. A determination by the Board of Trustees that funds are not appropriated or otherwise available to support continuation of performance shall be final and conclusive.

30. Condition of Payment

All services provided by the Contractor under this contract must be performed to the Fund's reasonable satisfaction, as determined at the discretion of the Fund and in accordance with all applicable federal, state, local laws, ordinances, rules and regulations. The Fund shall not be required to pay for work found to be unsatisfactory, inconsistent with this contract or performed in violation of any federal, state or local statute, ordinance, rule or regulation.

31. Payments

All payment obligations shall be made in arrears, net 30 in accordance with Indiana law and the Fund's fiscal policies and procedures. See Attachment B, Fees, incorporated by reference.

32. Penalties/Interest/Attorneys' Fees

The Fund will in good faith perform its required obligations hereunder and does not agree to pay any penalties, liquidated damages, interest, or Attorneys' fees, except as required by Indiana law.

### 33. Progress Reports

The Contractor shall submit reports to the Fund upon request, but in no event less than as of each month end. The reports shall be written and in a form agreed to between the Fund and Contractor. At Fund's request and at mutually agreed upon times, Contractor shall meet with the Fund to review Contractor's performance. Contractor shall be available to answer questions by Fund staff and Board members from time to time as needed without additional charge.

### 34. Severability

The invalidity of any section, subsection, clause or provision of this contract shall not affect the validity of the remaining sections, subsections, clauses or provisions of this contract.

### 35. Substantial Performance

This contract shall be deemed to be substantially performed only when fully performed according to its terms and conditions and any written amendments or supplements.

### 36. Taxes

The Fund is exempt from federal, state, and local taxes. The Fund will not be responsible for any taxes levied on the Contractor as a result of this contract.

### 37. Termination

Notwithstanding anything to the contrary, this contract may be terminated by the Fund, in whole or in part, for any reason, by delivery of a Termination Notice at least thirty (30) days prior to the termination effective date, specifying the extent to which performance of services under such termination becomes effective. The Contractor shall be compensated for services rendered prior to the effective date of termination. The Fund will not be liable for services performed after termination. The Contractor shall be compensated for services herein provided, but in no case shall total payment made to Contractor exceed the original contract price. In no event shall Fund's termination of the contract under this section be deemed a waiver of Fund's right to make a claim against Contractor for damages resulting from any default by Contractor which occurred prior to the termination effective date. Additionally, the Fund may terminate this contract immediately in the event that the Fund, in its sole discretion, considers such action necessary to protect the plan or assets in the trust.

In the event of any termination of this contract, all terms and conditions herein shall continue to apply through the termination effective date and through any period following such date during which Contractor shall continue to perform the services required under this contract, in order to complete any transactions pending on the termination effective date and to facilitate an orderly transition to a successor Contractor ("Transition Period"). Such Transition Period shall not exceed thirty (30) days after the termination effective date. If Fund terminates this contract, and unless otherwise expressly directed by Fund, Contractor shall take all necessary steps to stop services under this contract on the termination effective date.

Upon any termination of this contract by Fund and to the extent directed by Fund, Contractor shall continue to serve as a Contractor hereunder at the then-existing compensation level for the duration of the

Transition Period. After the additional services have been performed, and the Transition Period is completed, Contractor may seek compensation for the Transition Period at its then-existing compensation level. Contractor shall cooperate with Fund in good faith to effect a smooth and orderly transfer of such services and all applicable records by the termination effective date. Upon termination of this contract, Contractor shall retain all Fund records in accordance with the record retention provisions set forth in the Access to Records section of this contract.

38. Travel

No expenses for travel will be reimbursed unless specifically permitted under the scope of services or consideration provisions. Expenditures made by the Contractor for approved travel will be reimbursed at the current rate paid by the Fund and in accordance with the Fund Travel Policies and Procedures. Out-of-state travel requests must be reviewed by the Fund for availability of funds and for appropriateness.

39. Work Standards

The Contractor agrees to execute its responsibilities by following and applying at all times the highest professional and technical guidelines and standards. If the Fund becomes dissatisfied with the work product or the working relationship with those individuals assigned to work on this contract, the Fund may request in writing the replacement of any or all such individuals.

40. Background Investigations

All employees of Contractor who require access to the Fund's building at 143 West Market, Indianapolis, Indiana, or the Fund's confidential information shall be subject to the following personal background investigations: (i) Indiana State Police criminal history background check; (ii) Federal Bureau of Investigation fingerprint check; and (iii) Indiana Department of Revenue tax liabilities check. The Fund shall, in its sole discretion, decide whether the results of such background checks are acceptable. Costs associated with these background checks shall be the sole responsibility of the Contractor and costs shall be invoiced to Contractor upon receipt of clearance documentation.

41. Waiver of Rights

No right conferred on either party under this contract shall be deemed waived and no breach of this contract excused, unless such waiver or excuse shall be in writing and signed by the party claimed to have waived such right.

42. Investigations and Complaints

To the extent permitted by applicable law, Contractor shall promptly advise Fund in writing of any extraordinary investigation, examination, complaint, disciplinary action or other proceeding relating to or affecting Contractor's ability to perform its duties under this contract which is commenced by any of the following: (1) any Attorney General or any regulatory agency of any state of the United States; (2) any U.S. Government department or agency; or (3) any governmental agency regulating business in any country in which Contractor is doing business. Except as otherwise required by law, Fund shall maintain the confidentiality of all such information until investigating entity makes the information public.

43. Ethics Requirement

The Contractor and its agents shall abide by all ethical requirements that apply to persons who have a business relationship with the Fund, as set forth in Indiana Code § 4-2-6 et seq., the regulations promulgated thereunder, and Executive Orders 04-08 and 05-12, dated April 27, 2004 and January 10, 2005, respectively. If the Contractor is not familiar with these ethical requirements, the Contractor should refer any questions to the Indiana State Ethics Commission, or visit the Indiana State Ethics Commission website at <<<<http://www.in.gov/ethics/>>>>. If the Contractor or its agents violate any applicable ethical standards, PERF may, in its sole discretion, terminate this contract immediately upon notice to the Contractor. In addition, the Contractor may be subject to penalties under Indiana Code § 4-2-6-12.

44. Authority to Bind

Notwithstanding anything in this contract to the contrary, the signatory for the Contractor represents that he/she has been duly authorized to execute agreements on its behalf.

45. Compliance with Telephone Privacy

As required by IC 5-22-3-7, the Contractor, any principals or affiliates of the Contractor, or any agent acting on behalf of the Contractor, certify that:

a. Contractor, except for de minimis and nonsystematic violations, has not violated the terms of (i) IC 24-4.7 [Telephone Solicitation Of Consumers], (ii) IC 24-5-12 [Telephone Solicitations], or (iii) IC 24-5-14 [Regulation of Automatic Dialing Machines] in the previous three hundred sixty-five (365) days, even if IC 24-4.7 is preempted by federal law;

b. Contractor will not violate the terms of IC 24-4.7 for the duration of the Contract, even if IC 24-4.7 is preempted by federal law.

46. Non-Collusion and Acceptance

The undersigned attests under penalties of perjury that he is the contracting party, or that he is the representative, agent, member or officer of the contracting party, that he has not, nor has any other member, employee, representative, agent or officer of the firm, company, corporation or partnership represented by him, directly or indirectly, to the best of his knowledge, entered into or offered to enter into any combination, collusion or agreement to receive or pay, and that he has not received or paid, any sum of money or other consideration for the execution of this agreement other than that which appears upon the face of the agreement.

The parties, having read and with full understanding of the foregoing terms of the contract, do by their respective signatures dated below hereby agree to the terms herein, including, if this contract is in excess of \$25,000, the Drug-Free Workplace Certification.

**CONTRACTOR**

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

Attested By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**INDIANA PUBLIC EMPLOYEES' RETIREMENT FUND**

\_\_\_\_\_  
Terren B. Magid, Executive Director

\_\_\_\_\_  
Date



**ATTACHMENT F – MANDATORY VENDOR FORMS  
MINORITY & WOMEN'S BUSINESS ENTERPRISES RFP SUBCONTRACTOR  
COMMITMENT FORM**

In accordance with 25 IAC 5-5, the respondent is expected to submit with its proposal a MWBE Subcontractor Commitment Form. The Form is designed to indicate whether there are, participating in the proposed contract, Minority Business Enterprises (MBE) and Women Business Enterprises (WBE) listed in the Minority and Women's Business Enterprises Division (MWBED) directory of certified firms located at [www.buyindiana.in.gov](http://www.buyindiana.in.gov).

If participation is met through use of vendors who supply products and/or services directly to the Respondent, the Respondent must provide a description of products and/or services provided that are directly related to this proposal and the cost of direct supplies for this proposal. Respondents must complete the Subcontractor Commitment Form in its entirety.

Failure to meet these goals may be considered in the evaluation of your Proposal. The Indiana Department of Administration reserves the right to verify all information included on the MWBE Subcontractor Commitment Form.

Respondents are encouraged to contact and work with MWBED at 317-232-3061 to design a subcontractor commitment to meet established goals as referenced in this solicitation.

**Prime Contractors must ensure that the proposed subcontractors meet the following criteria:**

- Must be listed on the IDOA Directory of Certified Firms
- Each firm may only serve as once classification – MBE or WBE
- A Prime Contractor who is an MBE or WBE must meet subcontractor goals by using other listed certified firms. Certified Prime Contractors cannot count their own workforce or companies to meet this requirement.
- Must serve a commercially useful function. The firm must serve a value-added purpose on the engagement.
- Must provide goods or service only in the industry area for which it is certified as listed in the directory at [www.buyindiana.in.gov](http://www.buyindiana.in.gov)
- Must be used to provide the goods or services specific to the contract
- National Diversity Plans are generally not acceptable

**MINORITY & WOMEN'S BUSINESS ENTERPRISES RFP SUBCONTRACTOR  
LETTER OF COMMITMENT**

A signed letter(s), on company letterhead, from the MBE and/or WBE must accompany the MWBE Subcontractor Commitment Form. Each letter shall state and will serve as acknowledgement from the MBE and/or WBE of its subcontract amount, a description of products and/or services to be provided on this project, and approximate date the subcontractor will perform work on this contract.

By submission of the Proposal, the Respondent acknowledges and agrees to be bound by the

regulatory processes involving the State's M/WBE Program. Questions involving the regulations governing the MWBE Subcontractor Commitment Form should be directed to: Minority and Women's Business Enterprises Division at (317) 232-3061 or [mwbe@idoa.in.gov](mailto:mwbe@idoa.in.gov).

**STATE OF INDIANA MBE/WBE SUBCONTRACTOR COMMITMENT FORM**

**RFP#** \_\_\_\_\_

**DUE DATE:** \_\_\_\_\_

**TOTAL BID AMOUNT:** \_\_\_\_\_

☐ **MBE Firm**

☐ **WBE Firm**

**Company Name:**

**Contact Person:**

**Address:**

**E-mail:**

**Telephone Number:**      **Fax Number:**

(    )

(    )

**Sub-Contract Amount:**

**Describe service/product to be provided:**

**Sub-Contract Percentage of Total Bid:**

**Provide approximate dates when Sub-Contractor will perform on this project:**

☐ **MBE Firm**

☐ **WBE Firm**

**Company Name:**

**Contact Person:**

**Address:**

**E-mail:**

**Telephone Number:**      **Fax Number:**

(    )

(    )

**Sub-Contract Amount:**

**Describe service/product to be provided:**

**Sub-Contract Percentage of Total Bid:**

**Provide approximate dates when Sub-Contractor will perform on this project:**

\_\_\_\_\_  
**Respondent Firm**

\_\_\_\_\_  
**Telephone Number**

\_\_\_\_\_  
**Address**

\_\_\_\_\_  
**Fax Number**

**City/State/Zip Code**

**Email Address**

---

**Representative**

---

**Authorizing Signature**

---

**Date**

---

**Printed Name and Title**

## INDIANA ECONOMIC IMPACT STATEMENT



### INDIANA ECONOMIC IMPACT - PROPOSALS AND CONTRACTS

State Form 51778 (R5 / 3-06)

DEPARTMENT OF ADMINISTRATION

Approved by State Board of Accounts, 2006

This information is required by the Indiana Department of Administration for all contractors, vendors/suppliers to the State of Indiana (complete all 22 items).

1	Legal Name of firm:	
2	Address/City/State/Zip Code:	
3	Telephone #/Fax #/Website:	
4	Federal Tax Identification Number:	
5	State/Country of domicile/incorporation:	
6	Location of firm's headquarters or principal place of business:	
7	Name of parent company or holding company (if applicable):	
8	State/Country of domicile/incorporation of company listed in #7:	
9	Address of company listed in #7:	
10	IN Department of Workforce Development (DWD) account number:	
11	IN Department of Revenue (DOR) account number:	
12	Number of Indiana resident employees per most recently completed IRS Form W-2 distribution:	
13	Total number of employees per most recently completed IRS Form W-2 distribution:	
14	Total amount of payroll paid to Indiana resident employees per most recently completed IRS Form W-2 distribution:	
15	Total amount of payroll paid to all employees per the most recently completed IRS Form W-2 distribution:	
16	Total amount of this proposal, bid, or current contract:	

# **ACCOUNTING OF INDIANA RESIDENT EMPLOYEES**

17	<b><u>Prime Contractor Company</u></b> <b>Name:</b>	
18	<b><u>Number of Full Time Equivalent (FTE) employees</u></b> that are Indiana residents specifically for this proposal or contract:	

19	<b><u>Subcontractor Company</u></b> <b>Name:</b>				
20	Address/Contact Person/Telephone Number/Tax ID Number:				
21	<b><u>Number of Full Time Equivalent (FTE) employees</u></b> that are Indiana residents specifically for this proposal or contract:				

22	<b><u>Affirmation by authorized official:</u></b> I affirm under penalties of perjury that the foregoing representations are true to be the best of my knowledge and belief.				
	Signature:				
	Name of auththorized official:				
	Title:				
	Date:				

## TAXPAYER IDENTIFICATION NUMBER REQUEST

**Purpose of form:** We are required to file an information return with the IRS and must get your correct taxpayer identification number (TIN) to report our payments to you.

Use Form W-9 on the reverse side, if you are a U.S. person (including a U.S. resident alien), to give us your correct TIN and, when applicable to:

1. Certify the TIN you are giving is correct.
2. Certify you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are an exempt payee.

If you do not provide us with the information, your payments may be subject to 31% federal income tax backup withholding. Also, if you do not provide us with information, you may be subject to a \$50.00 penalty imposed by the Internal Revenue Service per I.R.C. 6723.

Federal law on backup withholding preempts any state and local law remedies, such as any rights to a mechanic's lien. If you do not furnish a valid TIN, or if you are subject to backup withholding, the payer is required to withhold 31% of its payment to you. Backup withholding is not a failure to pay you. It is advance tax payment. You should report all backup withholding as a credit for taxes on your federal income tax return.

**Specific Instructions:** Enter your legal name on that line. Your legal name is the one that appears on your Social Security Card or Employer Identification Number if a business. If you are a sole proprietor, then your legal name is the business owner's name. If you have a "doing business as" (d/b/a) name, enter on the trade line. Enter your remit address on the next line, and if you have a separate address for purchase orders, enter that address on the appropriate line.

Next, select the organization type for your name, check the box, and record the appropriate taxpayer identification number (TIN) in the space provided. Notice that individuals and sole proprietors are the only types with a social security number. If you are a corporation or an exempt 501(a) organization, you must answer yes or no on legal and medical services. If you are sole proprietor you must show the business owner's name in the legal box, and the business name in the trade name box. You cannot use only the business name. For the TIN, you may use either the individual's SSN or the employer identification number (EIN) of the business. However, the IRS prefers that you show the SSN.

Finally, complete the certification section, sign and date the form.

If you are a foreign person, use the appropriate Form W-8.

Substitute Form  
State Form 23743 (R 07/01)

Approved by State Board of Accounts 2001  
Approved by Auditor of State 2001

### Taxpayer Identification Number Request

State of Indiana

**W-9**

DO NOT send to IRS

Print or Type	Return to address below
<b>Legal Name</b> (OWNER OF THE EIN OR SSN AS NAME APPEARS ON IRS OR SSN RECORDS) DO NOT ENTER THE BUSINESS NAME OF A SOLE PROPRIETORSHIP ON THIS LINE	
<b>Trade Name</b> Complete only if doing business as (D/B/A)	
<b>Remit Address</b>	
<b>Purchase Order Address-Optional</b>	
Check legal entity type and enter 9 digit taxpayer identification Number (TIN) below: (SSN = Social Security Number, EIN = Employer Identification Number)	SSN or EIN must be for legal name above

- ☐ **Individual** (Individual's SSN) \_\_\_\_\_  
☐ Sole Proprietorship (Owner's SSN or Business EIN) SSN \_\_\_\_\_  
EIN \_\_\_\_\_  
☐ Partnership ☐ General ☐ Limited (Partnership's EIN) \_\_\_\_\_  
☐ Estate/Trust (Legal Entity's EIN) \_\_\_\_\_  
Note: Show the name and number of legal trust, or estate, not personal representatives
- ☐ Other (Limited Liability Company, Joint Venture, Club, ect) (Legal Entity's EIN) \_\_\_\_\_
- ☐ Corporation Do you provide legal or medical serv. ☐ Yes ☐ No (Corp's EIN) \_\_\_\_\_
- ☐ Government (or Government operated entity) (Entity's EIN) \_\_\_\_\_
- ☐ Organization Exempt from Tax under Section 501(a)  
Do you provide medical services? ☐ Yes ☐ No (Org's EIN) \_\_\_\_\_
- ☐ Check here if you do not have a SSN or EIN but have applied for one.

Under Penalties of prejury, I certify that:

- (1) The number listed on this form is my correct Taxpayer Identification Number (Or I am waiting for a number to be issued to me) AND  
(2) I am not subject to backup withholding because: (a) I am exempt from the backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (C) the IRS has notified me that I am no longer subject to backup withholding (does not apply to real estate transactions, mortgage interest paid, and acquisition or abandonment of secured property, contribution to an individual retirement arrangement (IRA), and payments other than interest and dividends.)  
CERTIFICATION INSTRUCTIONS- You must cross out item (2) above if you have been notified by the IRS that you are currently subject to backup withholding because of underreporting interest or dividends on your tax return.

**THE IRS DOES NOT REQUIRE YOUR CONSENT TO ANY PROVISION OF THIS DOCUMENT OTHER THAN THE CERTIFICATIONS REQUIRED TO AVOID BACKUP WITHHOLDING.**

I am a U.S. person (including a U.S. resident alien)

Name (Print or Type)	_____	Title	_____
AUTHORIZED SIGNATURE	_____	Date	_____
		Phone	_____

Agency \_\_\_\_\_ Agency use only ☐ Yes ☐ No Approved by \_\_\_\_\_  
1099

**REQUEST FOR TAXPAYER IDENTIFICATION NUMBER AND CERTIFICATION**



# APPLICATION FOR CERTIFICATE OF AUTHORITY OF A FOREIGN CORPORATION



## APPLICATION FOR CERTIFICATE OF AUTHORITY OF A FOREIGN CORPORATION

State Form 38784 (R9/ 12-02) Corporate Form 112  
Approved By State Board Of Accounts, 1995

TODD ROKITA  
SECRETARY OF STATE  
CORPORATIONS DIVISION  
302 W. Washington St., Rm. E018  
Indianapolis, IN 46204  
Telephone: (317) 232-6576

Indiana Code 23-1-49-1 et seq.  
23-1-49-3

**Filing Fee: \$90.00**

### NOTES:

1. An Original Certificate of Existence duly authenticated by the proper authority from corporation's domiciliary state within the last sixty (60) days must be submitted with this application.
2. A Registered Agent with an Indiana street address (not a PO BOX) must be listed in ARTICLE III.

### INSTRUCTIONS:

- Use 8 1/2" x 11" white paper for attachments.
- Present original and one copy to address in the upper right corner of this form.
- Please TYPE or PRINT.
- Please visit our office on the web at [www.sos.in.gov](http://www.sos.in.gov).

### APPLICATION FOR CERTIFICATE OF AUTHORITY OF

### A FOREIGN CORPORATION TO TRANSACT BUSINESS IN THE STATE OF INDIANA

The undersigned officer of the above corporation which was formed as:

☐ A general business corporation

☐ A professional corporation

desiring to effectuate the admittance of the Corporation to transact business in the State of Indiana, certifies the following facts:

#### ARTICLE I: Name

Name of Corporation ( Must be identical to name shown in Articles of Incorporation and Amendments thereto)

#### ARTICLE II: Address of Corporation

Address of the principal office of corporation (Number and street, city, state and ZIP code)

#### ARTICLE III: Registered Office and Registered Agent

Name of the Registered Agent of the corporation (cannot be the corporation itself)

Indiana address of the registered office of corporation (Number and street, city; P.O. Box not accepted)

INDIANA

ZIP code

#### ARTICLE IV: Date and State of Incorporation and Duration of Existence

Date of incorporation in domiciliary state:

State of incorporation

Expected period of duration listed in the Articles of Incorporation (perpetual, term of years or date certain e.g. December 31, 2050)

#### ARTICLE V: Corporate Officers

The names and business addresses of the officers of the Corporation:

Name	Title	Address (Number, street, city, state and ZIP code)